Finbar Group Limited

December 2010 - Company Presentation

Important Information

Forward Looking Statements

Some of the information contained in this presentation may contain forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements include those containing such words as ‘estimate’, ‘should’, ‘will’, ‘forecast’, ‘anticipates’, ‘expects’, ‘plans’, ‘approximately’, ‘circa’, or similar expressions. Finbar’s actual results, performance, approvals, project composition, values, sales, or achievements could be significantly different from the results or objectives expressed in, anticipated or implied by, those forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements which refer to circumstances only as at the date of this release.

About

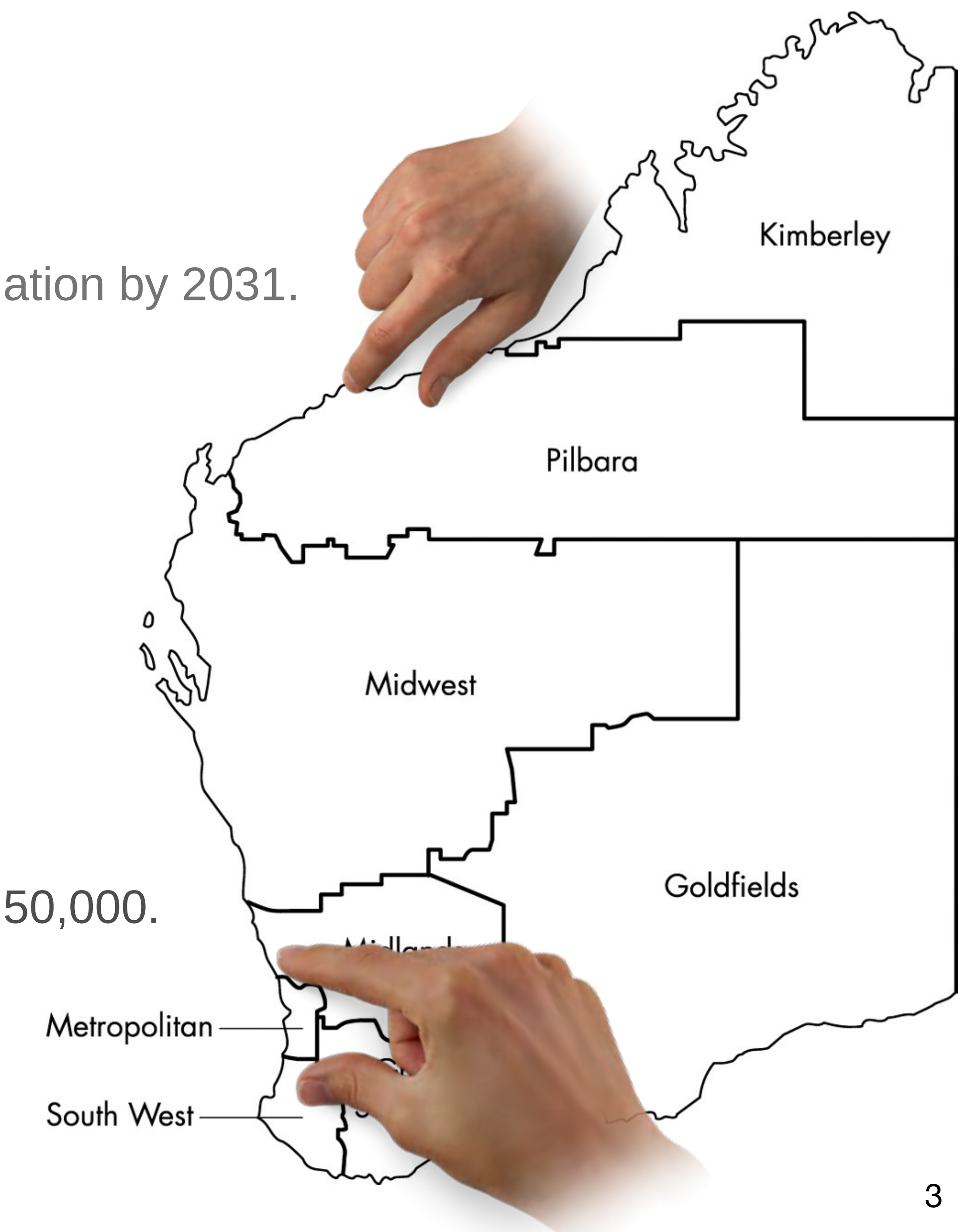
A Western Australian built form apartment developer with interests in Perth and in the Pilbara.

Metropolitan Perth

- Perth metro population 1.7 million.
- Highest capital city growth rate in nation (3.2%).
- Govt. forecast addition 560,000 people need accommodation by 2031.
- Demand for 328,000 more homes (av 315 per week).
- 47% (154,000) by way of infill developments.

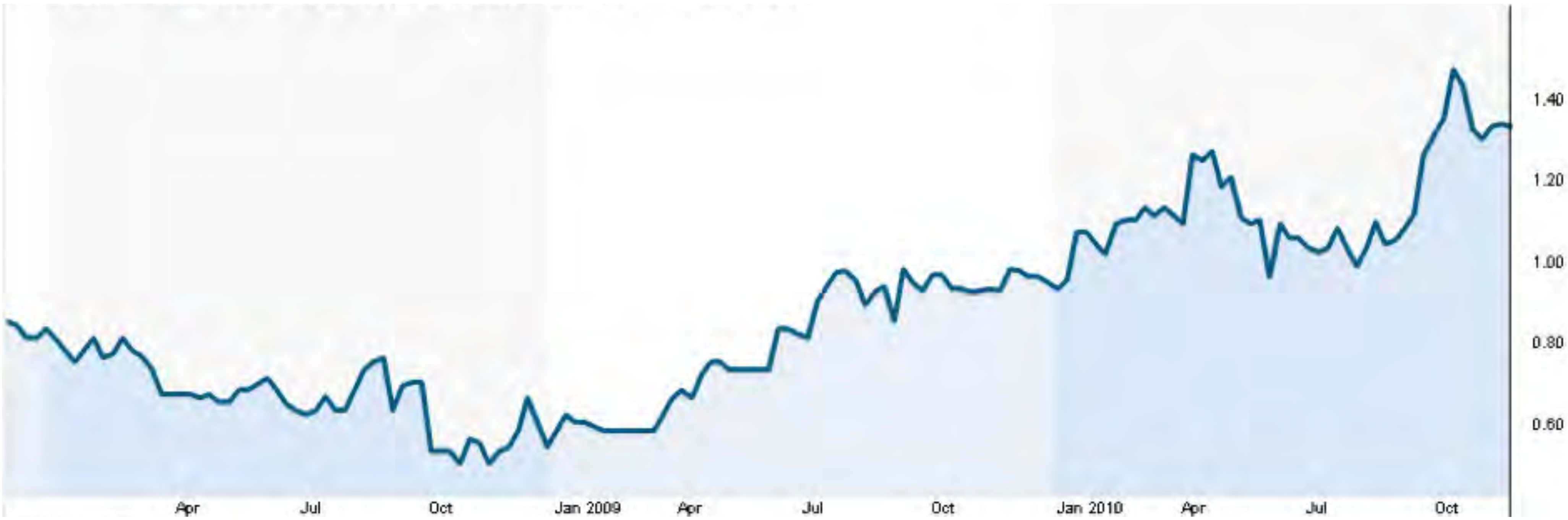
Pilbara

- Karratha, Powerhouse of the Pilbara.
- 1500 km north of Perth.
- Produces 25% of nations exports.
- Median income twice that of Perth.
- $800,000 median house price.
- Govt. drive to create City of the North with population of 50,000.



Finbar Snapshot

Overview



SHARES

Share Price : $1.30

Market Cap : $220 million

Shares Issued : 166 million

Options Outstanding : Nil

FINANCIAL

Earnings Per Share : $0.16

Dividend Per Share: $0.075 (47%)

Dividend Yield: 5.77%

Price/Earnings Ratio : 8.1

Return on Equity : 21%

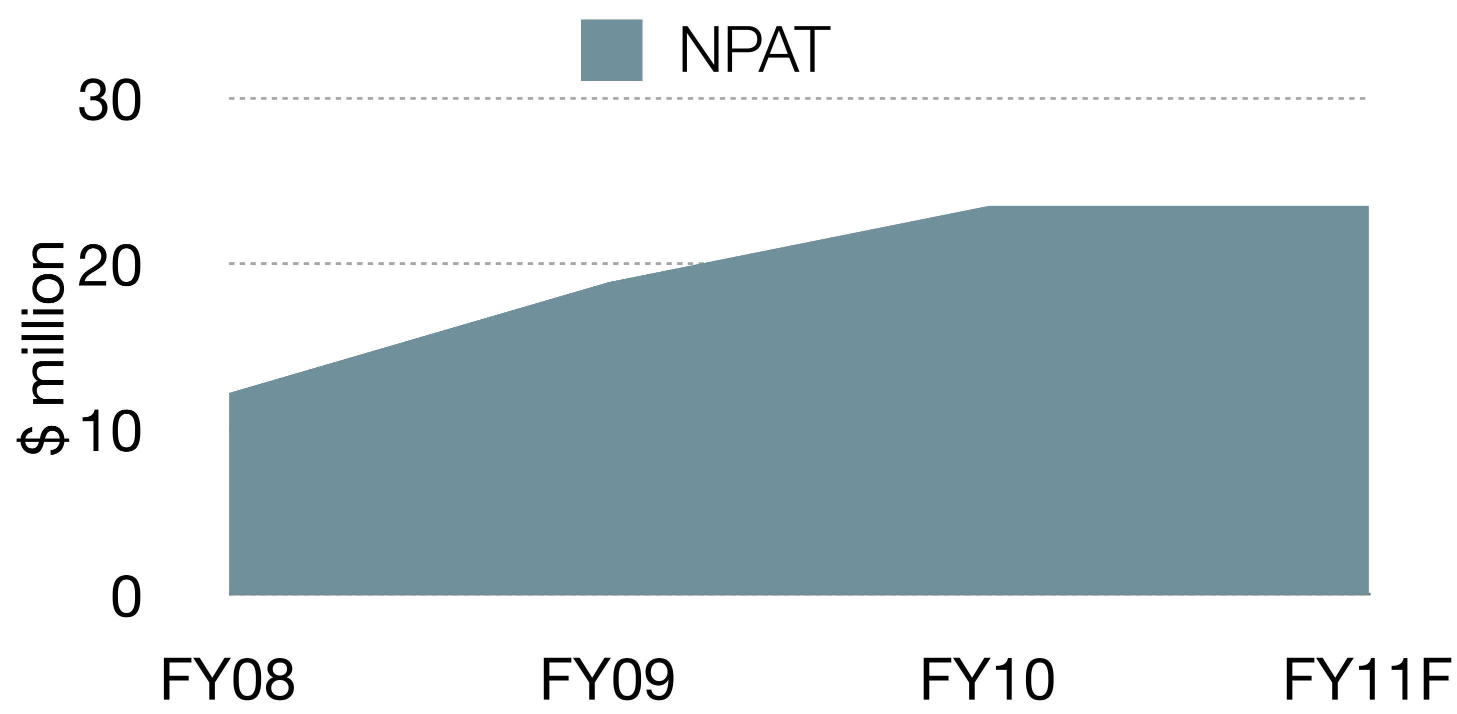
OTHER

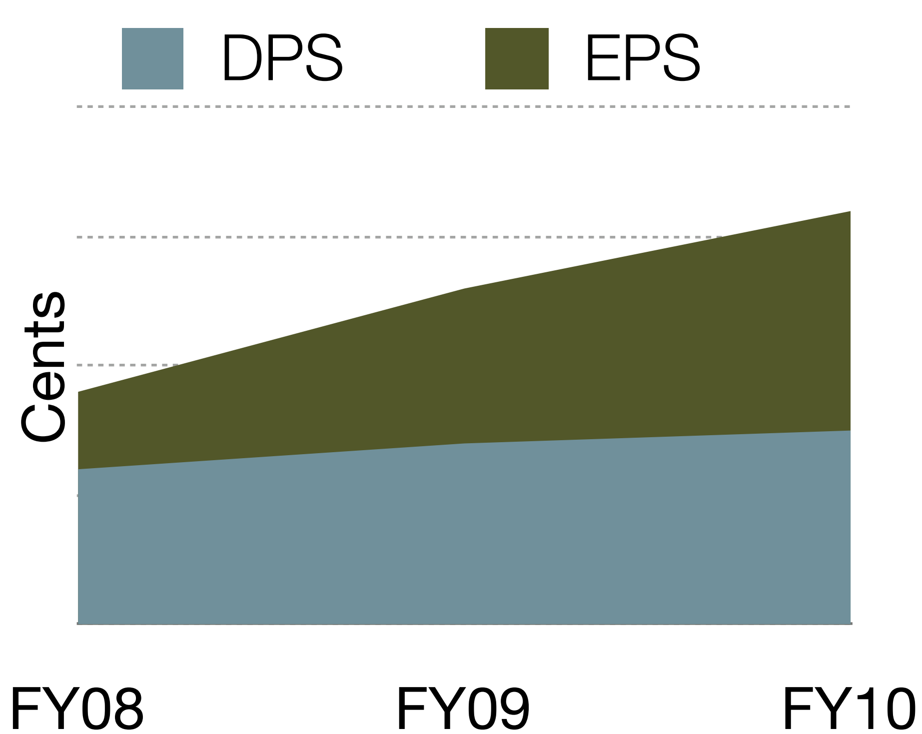
Shareholders : 1,123

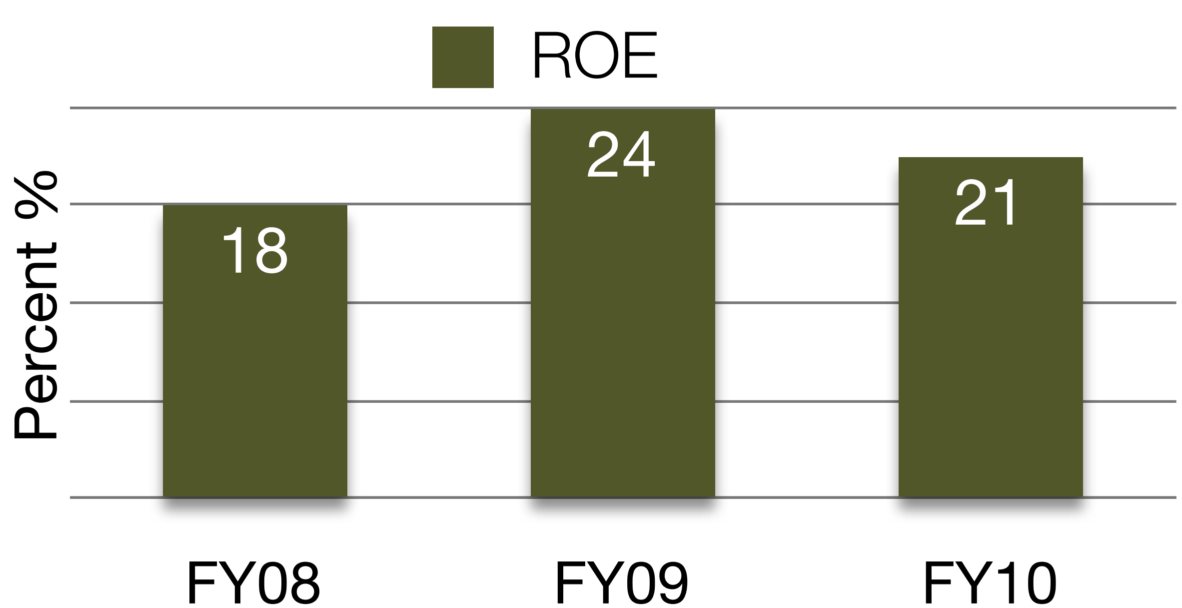
Staff : 10

Results

Strong earnings and dividend growth during GFC







Senior Management

An experienced management team with long term commitment

FROM LEFT TO RIGHT:

Edward Bank - Company Secretary / CFO (B Bus, ASPCA)

6 Years with the company. 7 years as company's external accountant.

John Chan - Executive Chairman (BSc, MBA, MAICD)

16 years with the company.

Darren Pateman - Managing Director (EMBA, Grad Dip App CorpGov, ACIC, MAICD, AFAIM)

16 years with the company.

Completed FY2010

The following slides detail company projects that were completed during the 2010 financial year and their current status.

Code

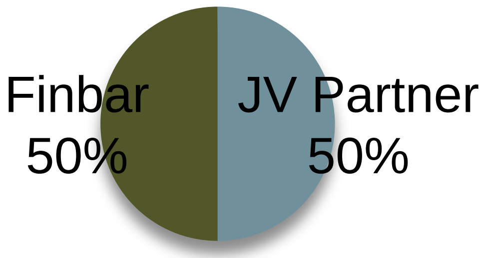
69 Milligan Street, Perth

Project
110 apartments and 4 commercial lots within a 10 storey building. Comprises 1, 2, & 3 bedroom apartments with an average price of $513,000.

Development Structure
Joint venture with equal participation in land purchase, working capital, and development profit through SPV. Finbar earns a management fee.

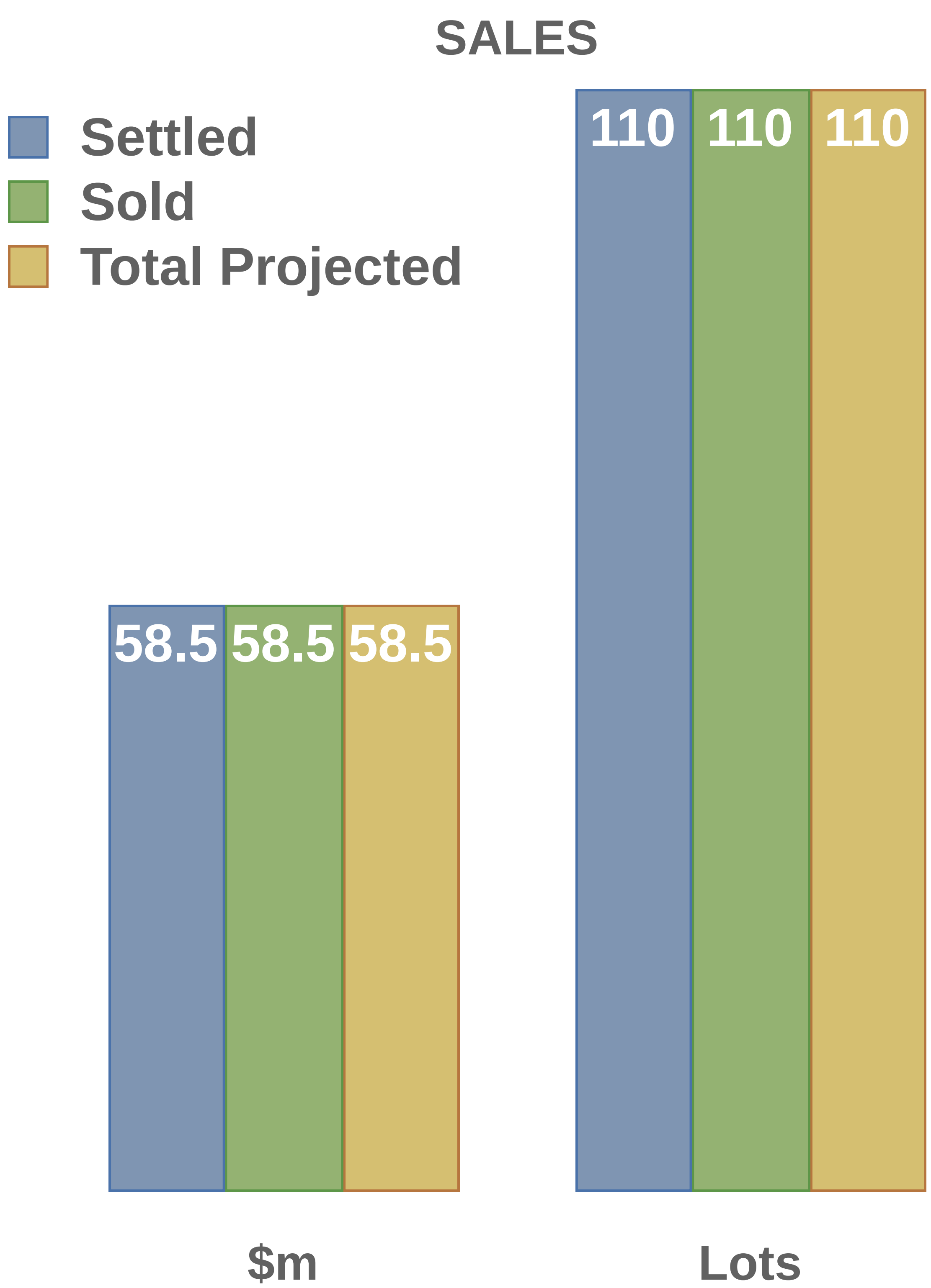
Status
Construction completed in FY 2010. All lots sold and now settled.

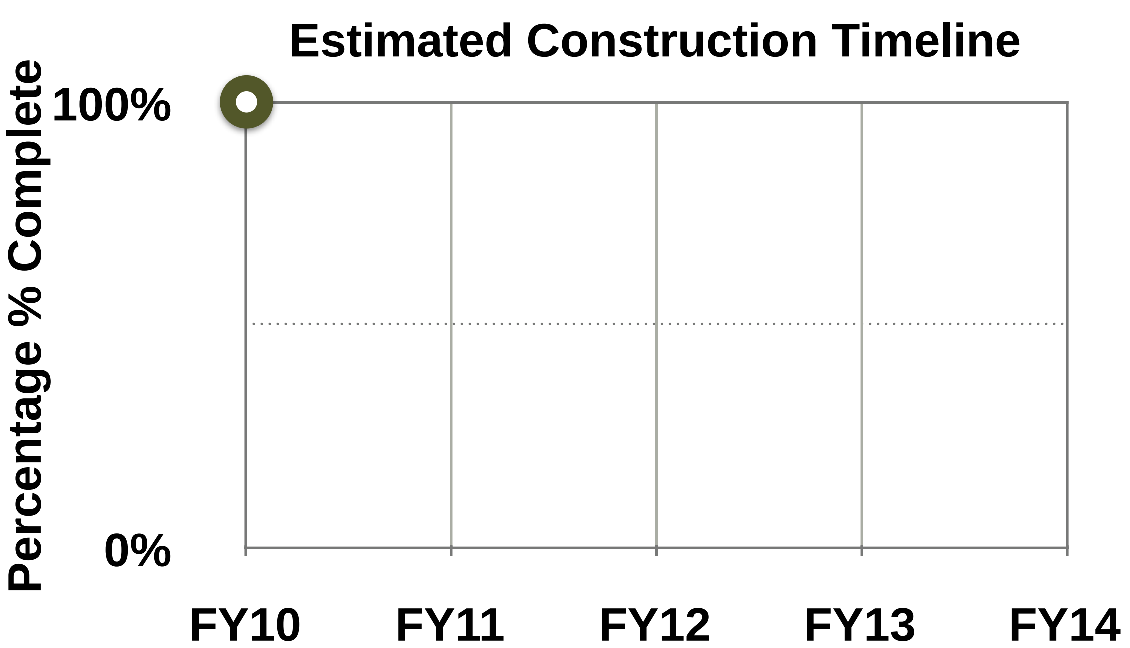
Profit Share



Code (cont.)

69 Milligan Street, Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Verve

145 Newcastle Street, Northbridge

Project

28 apartments and 6 commercial lots within a 3 storey building. Comprises 2 & 3 bedroom apartments with an average price of $676,000.

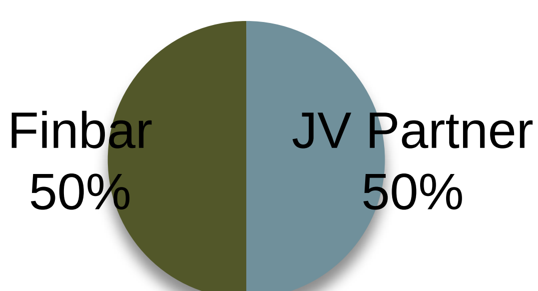
Development Structure

Joint venture with equal participation in land purchase, working capital, and development profit through SPV. Finbar earns a management fee.

Status

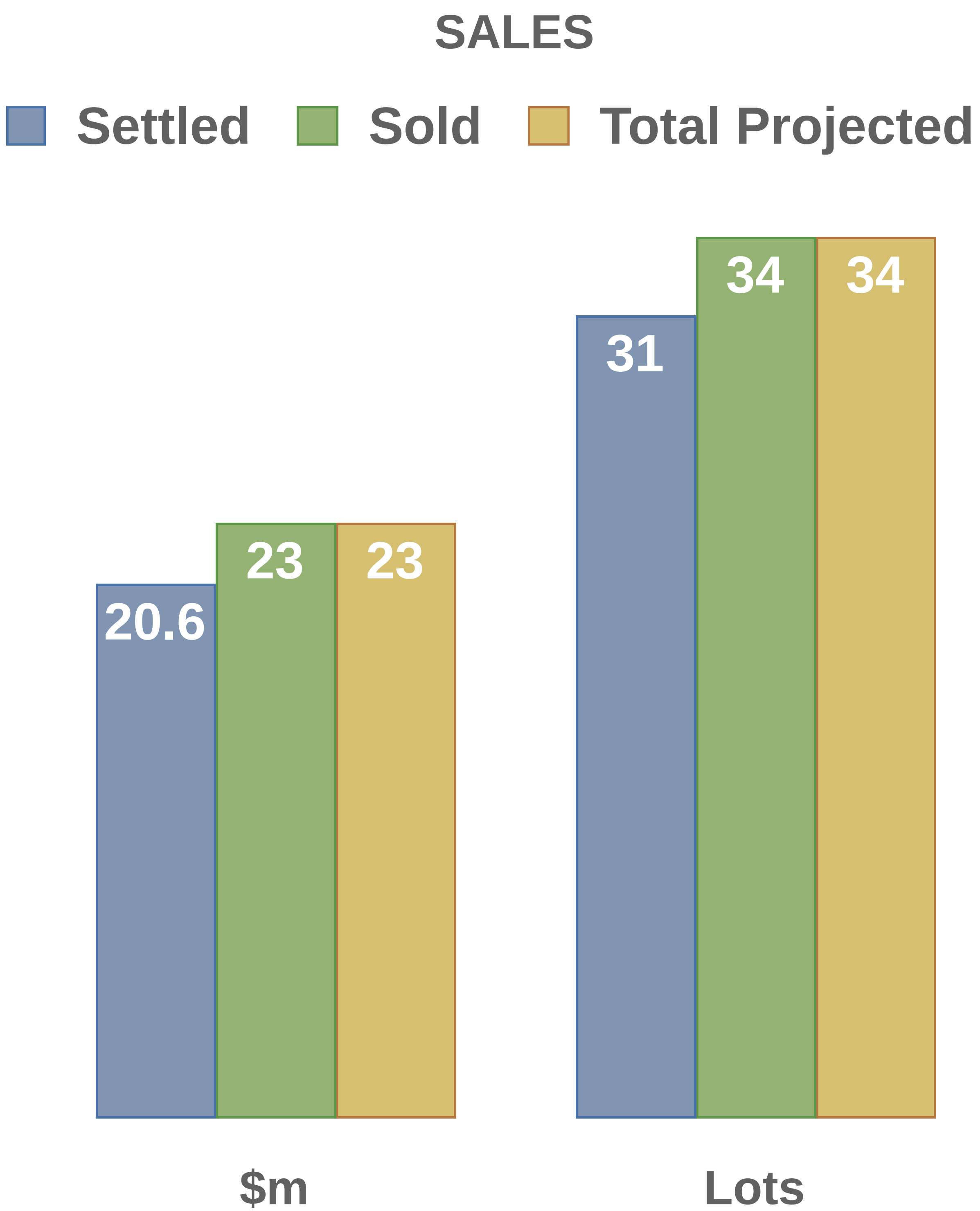
Construction completed in FY 2010.

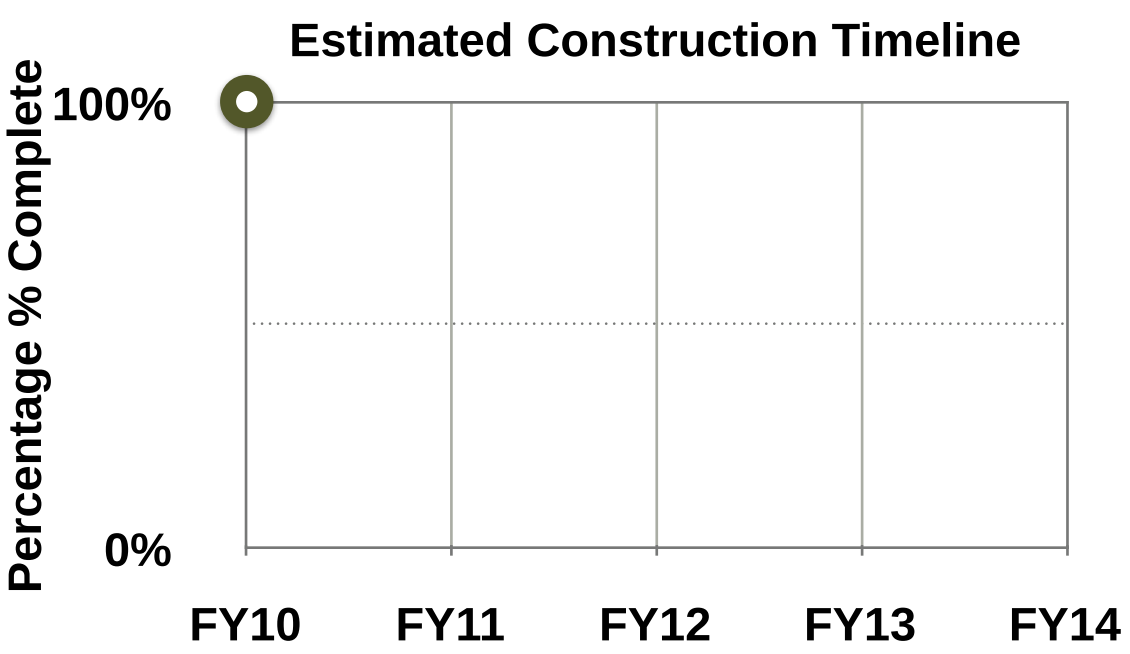
Profit Share



Verve (cont.)

145 Newcastle Street, Northbridge





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

The Saint

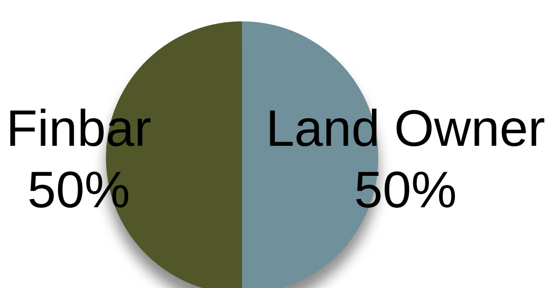
118 Adelaide Terrace, East Perth

Project
84 apartments and 1 commercial lot within a 10 storey building. Comprises 1, 2, & 3 bedroom apartments with an average price of $563,000.

Development Structure
Joint venture with land owner.
Finbar provides working capital, conducts development, and earns 50% of profit plus a management fee.

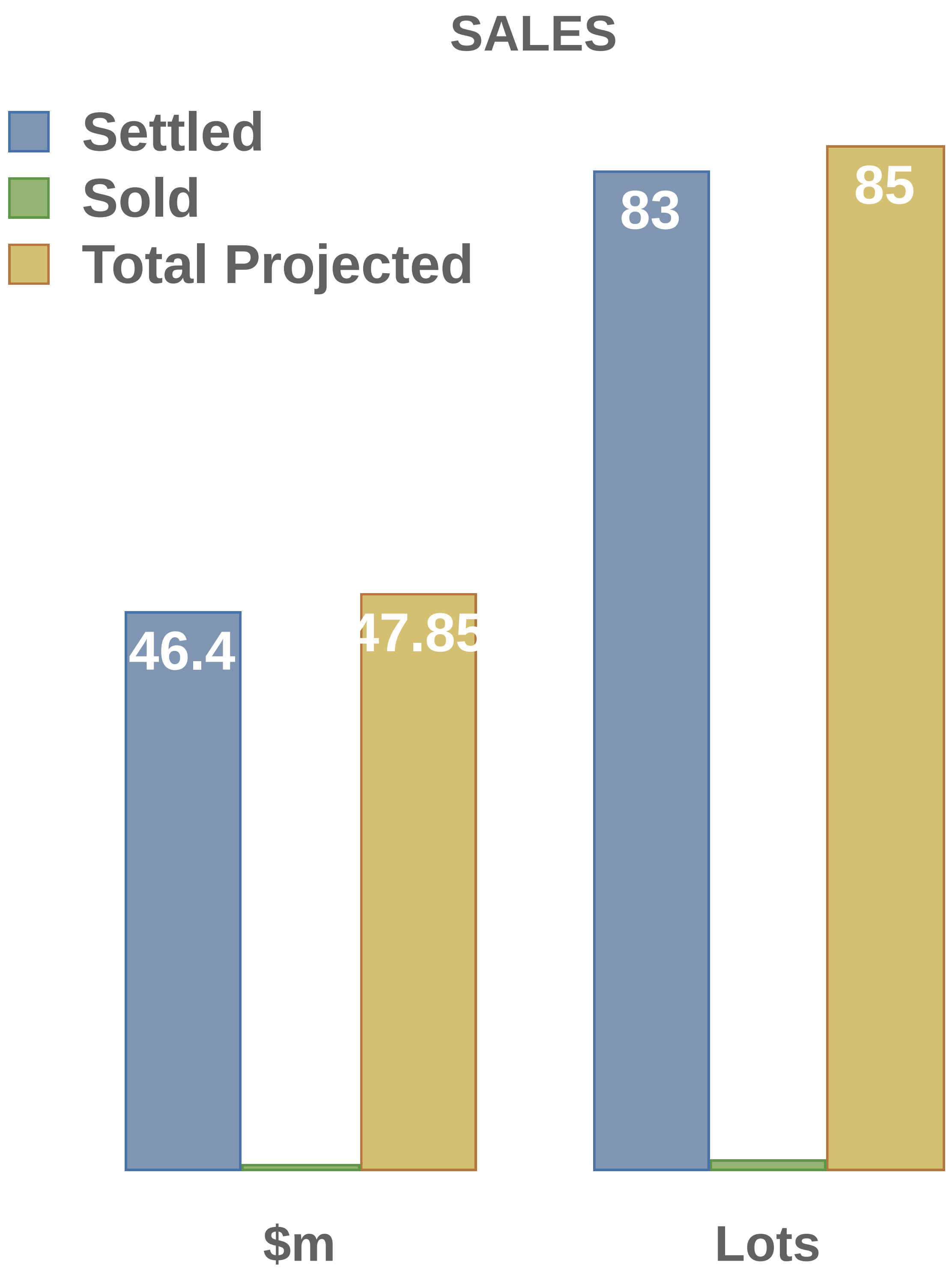
Status
Construction completed in FY 2010.

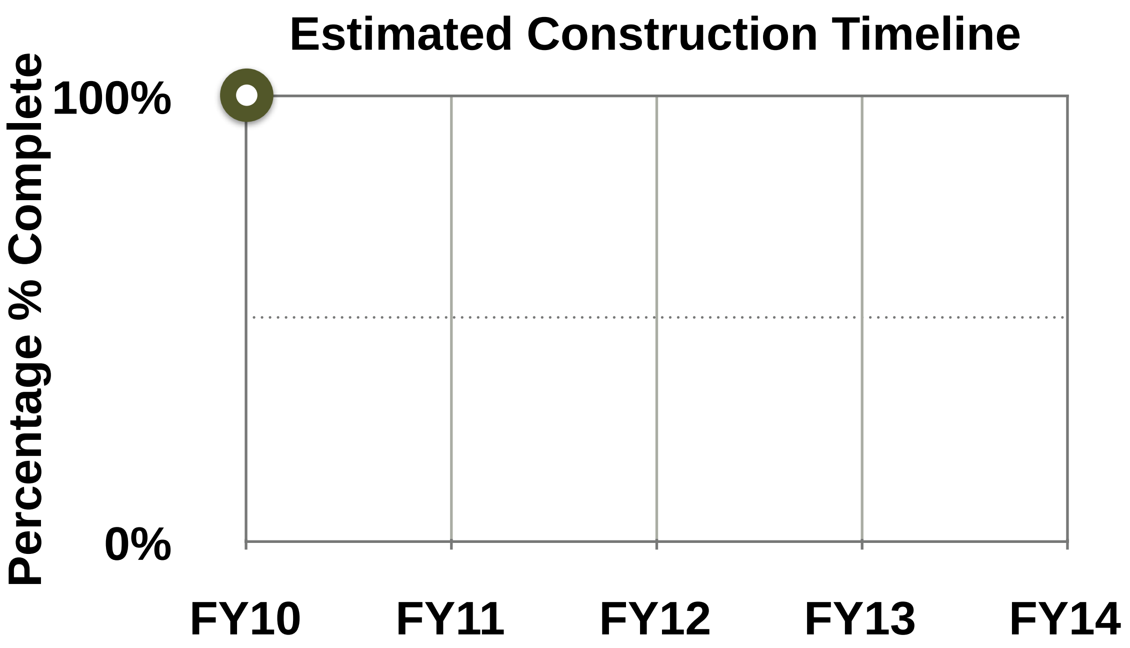
Profit Share



The Saint (cont.)

118 Adelaide Terrace, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Gateway

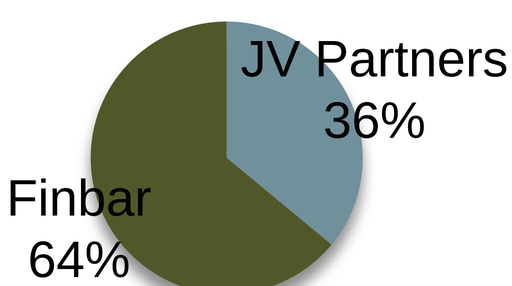
59 Albany Highway, Victoria Park

Project
12,717 sqm 7 storey office building with ground floor retail. 93% leased, 10 year WALE.

Development Structure
Joint land owner and joint venture developer through SPV. Finbar also earns a management fee.

Status
Construction completed in FY 2010. Head tenant, Monadelphous Group Limited, took occupancy in July 2010. building will be offered for sale.

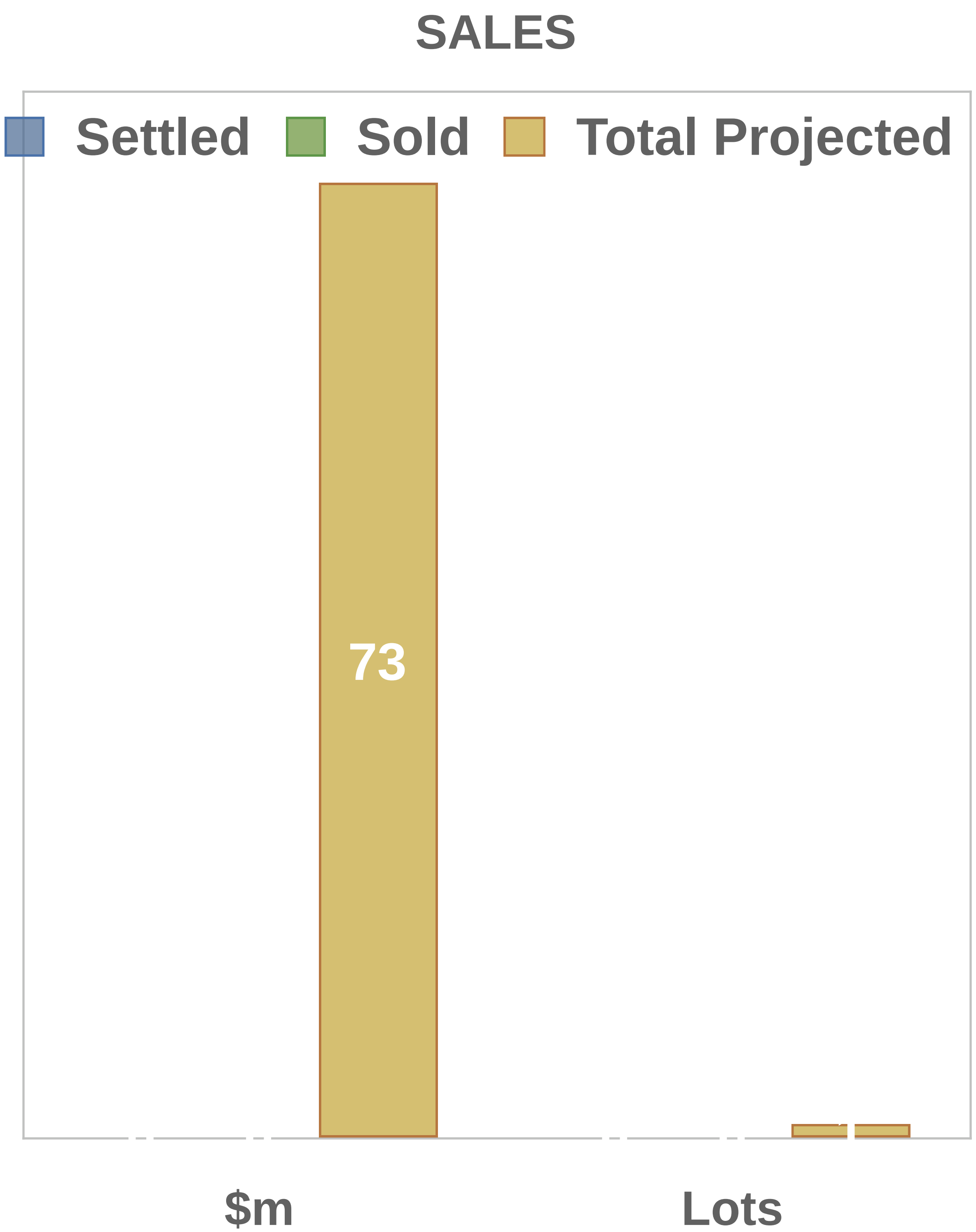
Profit Share

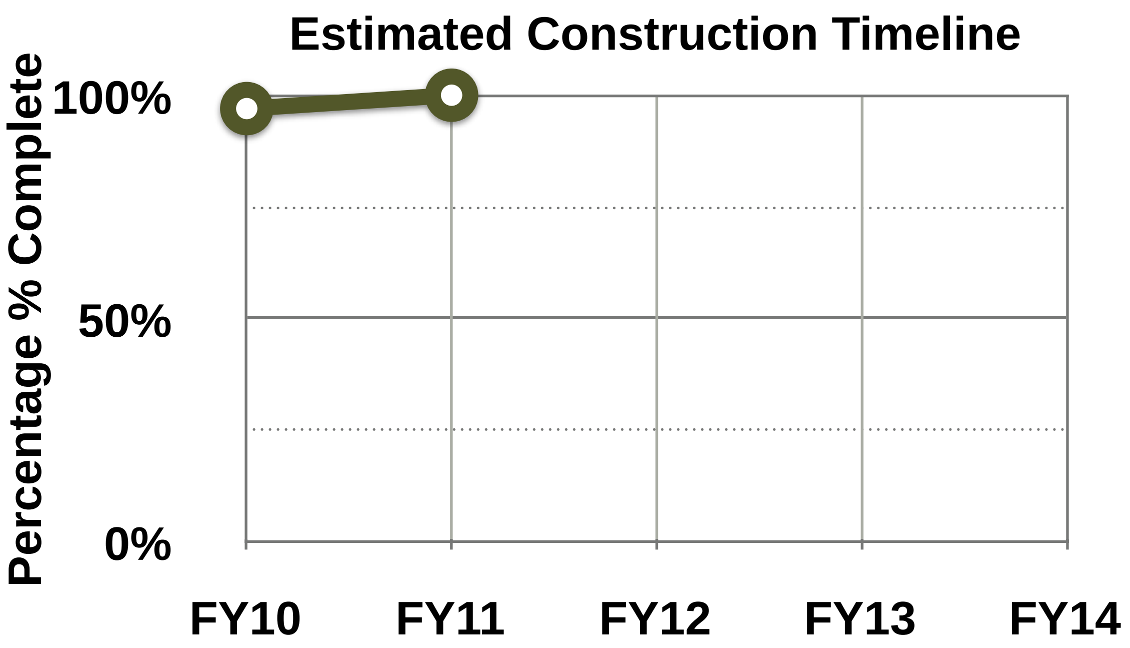


Gateway (cont.)

59 Albany Highway, Victoria Park

GATEWAY





Construction FY2011

The following slides detail company projects that are currently under construction or were under construction during the 2011 financial year.

The Edge

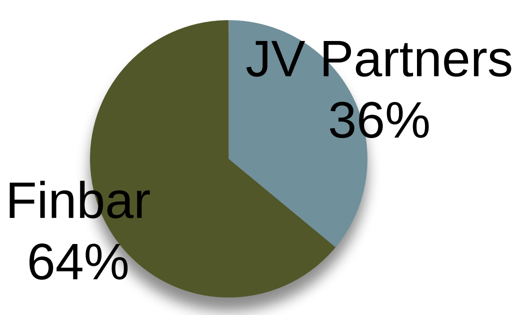
8 Hordern Street, Victoria Park

Project
75 apartments within a 7 storey building. Comprises 2 & 3 bedroom apartments with an average price of $723,000.

Development Structure
Joint land owner and joint venture developer through SPV. Finbar also earns a management fee.

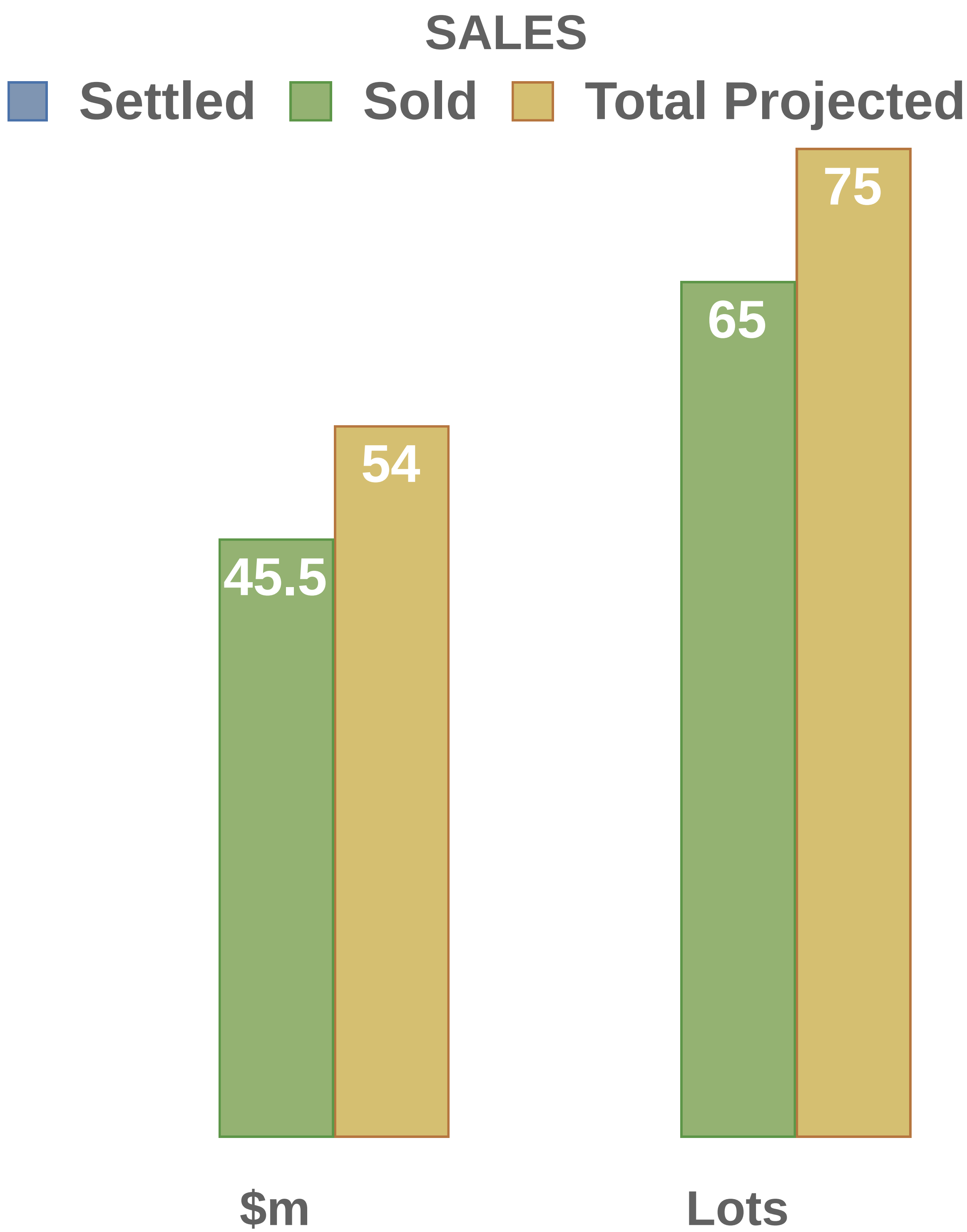
Status
Construction complete in November 2010.

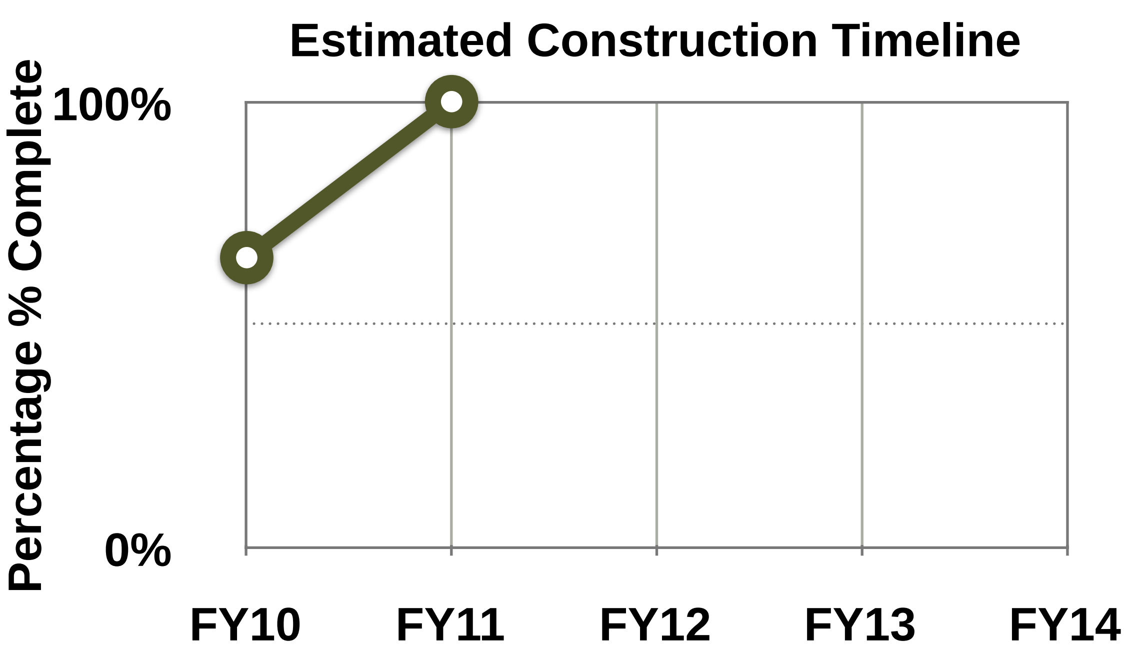
Profit Share



The Edge (cont.)

8 Hordern Street, Victoria Park





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Times Two

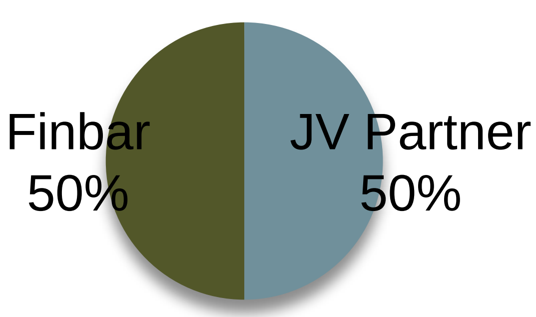
141 Adelaide Terrace, East Perth

Project
200 apartments and 1 commercial lot within a 10 storey building. Comprises studios, 1, 2, & 3 bedroom apartments with an average price of $470,000.

Development Structure
Joint venture with equal participation in land purchase, working capital, and development profit through SPV. Finbar earns a management fee.

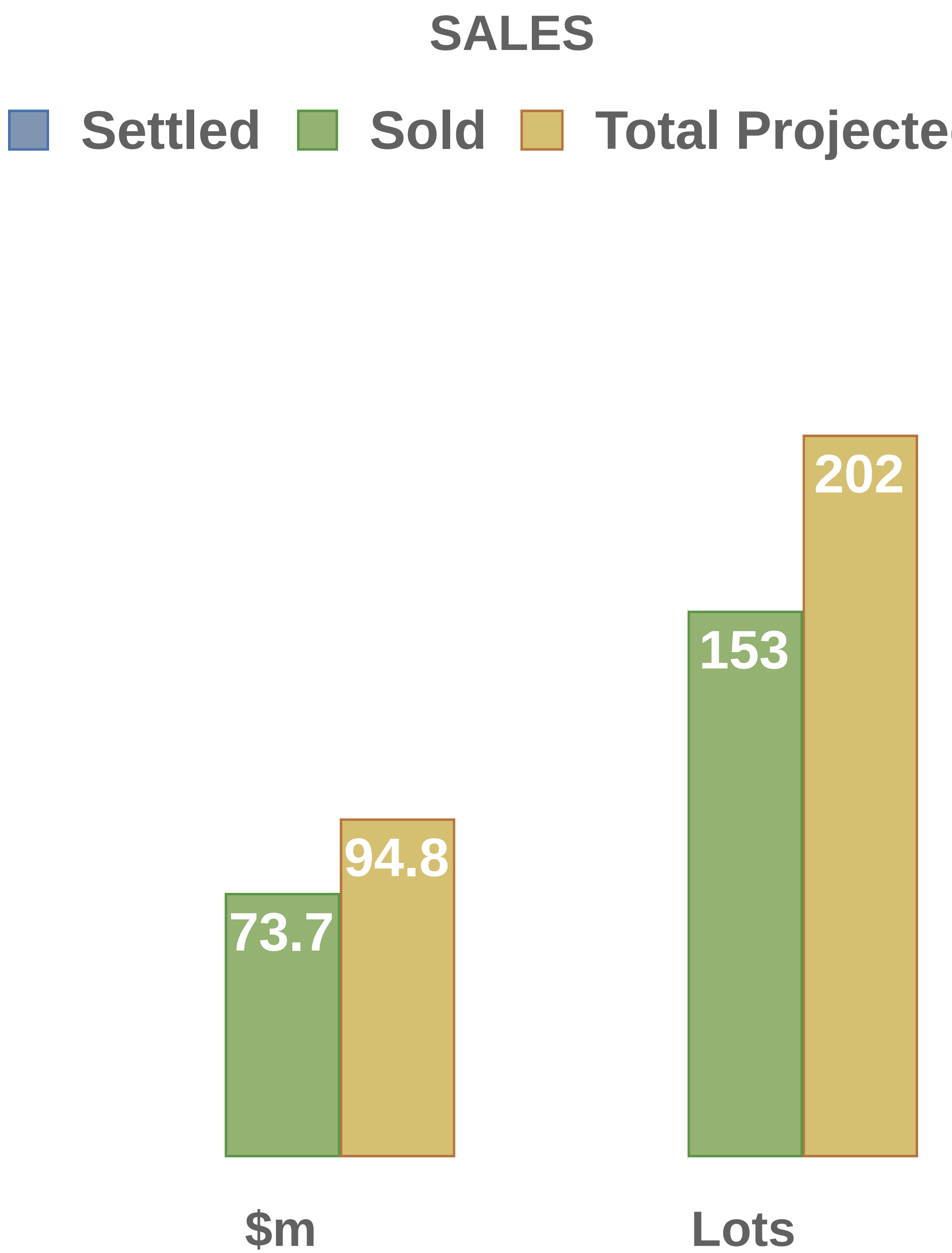
Status
Currently under construction.

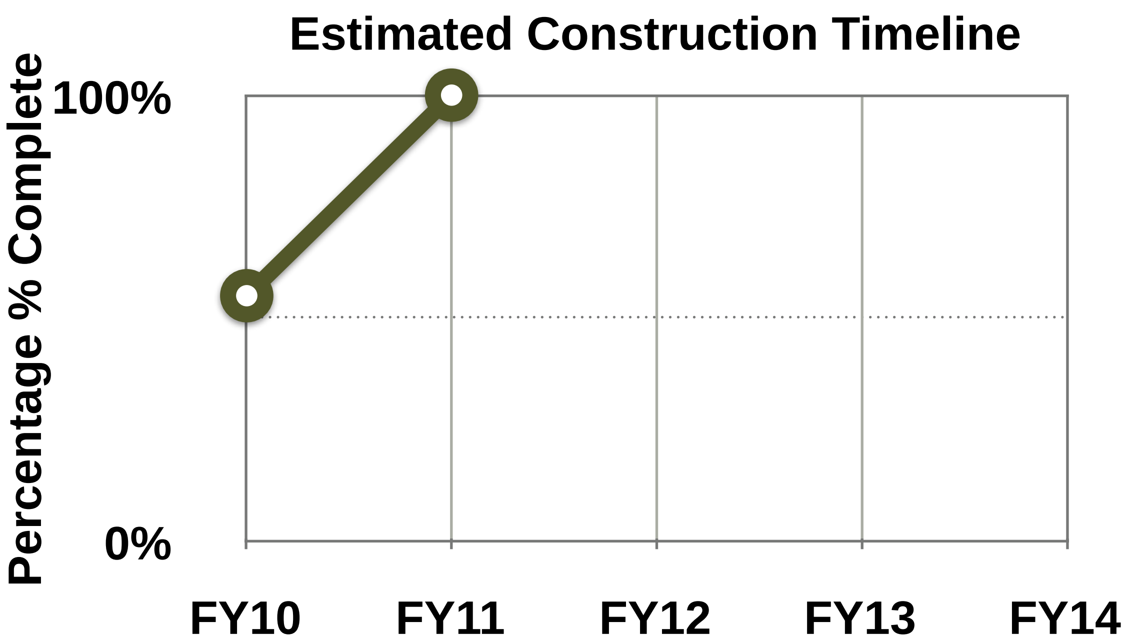
Profit Share



Times Two (cont.)

141 Adelaide Terrace, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Fairlanes Residences

181 Adelaide Terrace, East Perth

FAIRLANES
PERTH

Project
128 apartments located above 6560 sqm of office within 27 level building. Comprises 2, & 3 bedroom apartments with an average price of $845,000.

Development Structure
Wholly owned through subsidiary.

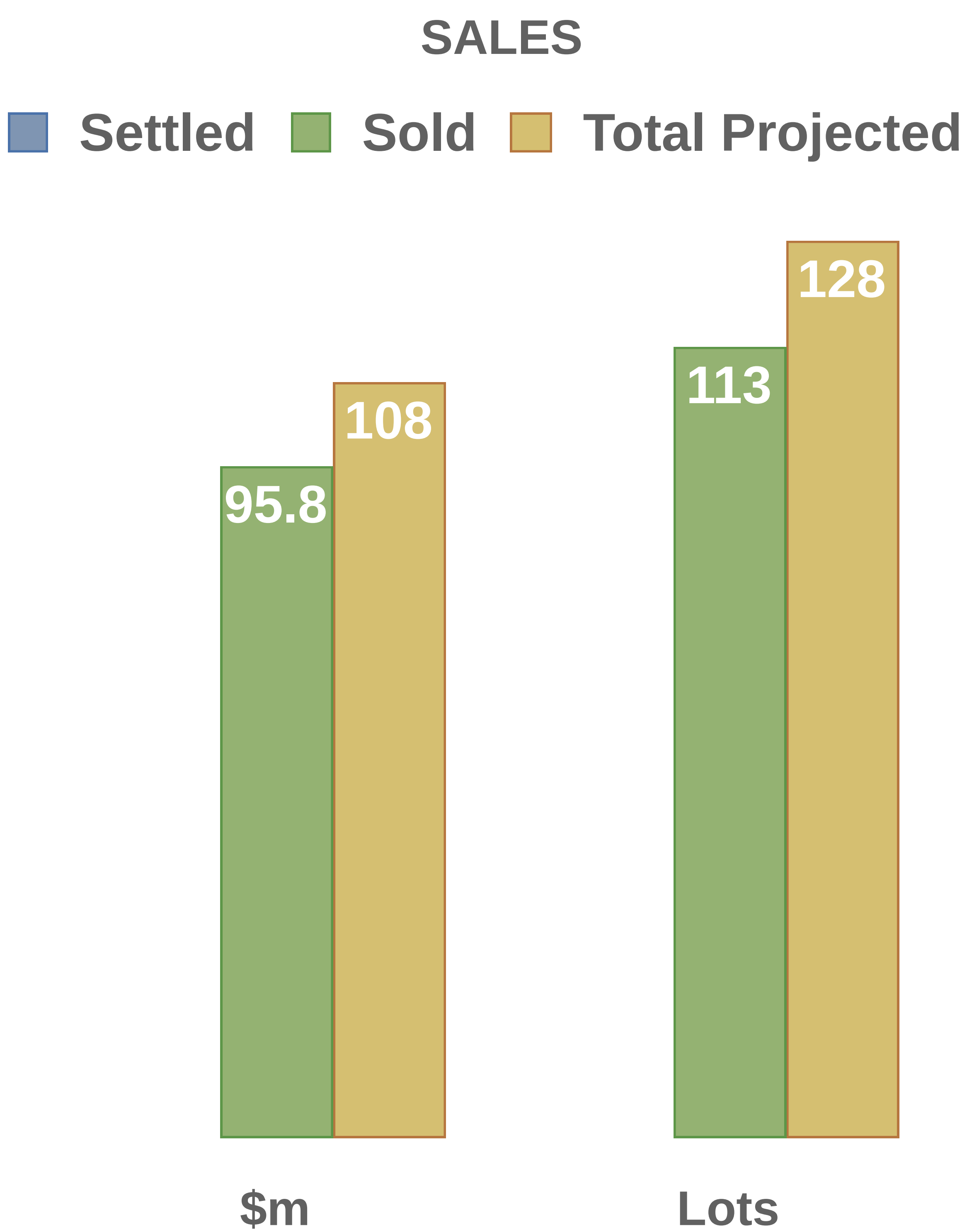
Status
Currently under construction.

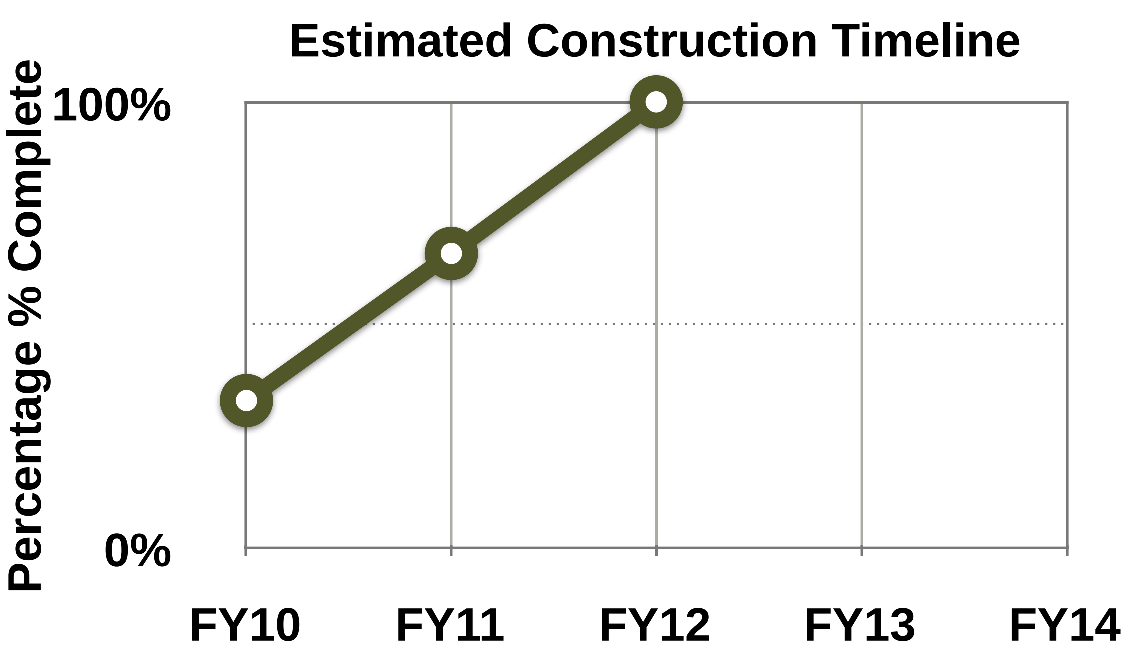
Profit Share

Finbar
100%

Fairlanes Residences (cont.)

181 Adelaide Terrace, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Fairlanes Office

181 Adelaide Terrace, East Perth

FAIRLANES
PERTH

Project
50 strata titled offices over five floors plus two street-front retail lots. 7,155 sqm NLA.

Development Structure
Wholly owned through subsidiary.

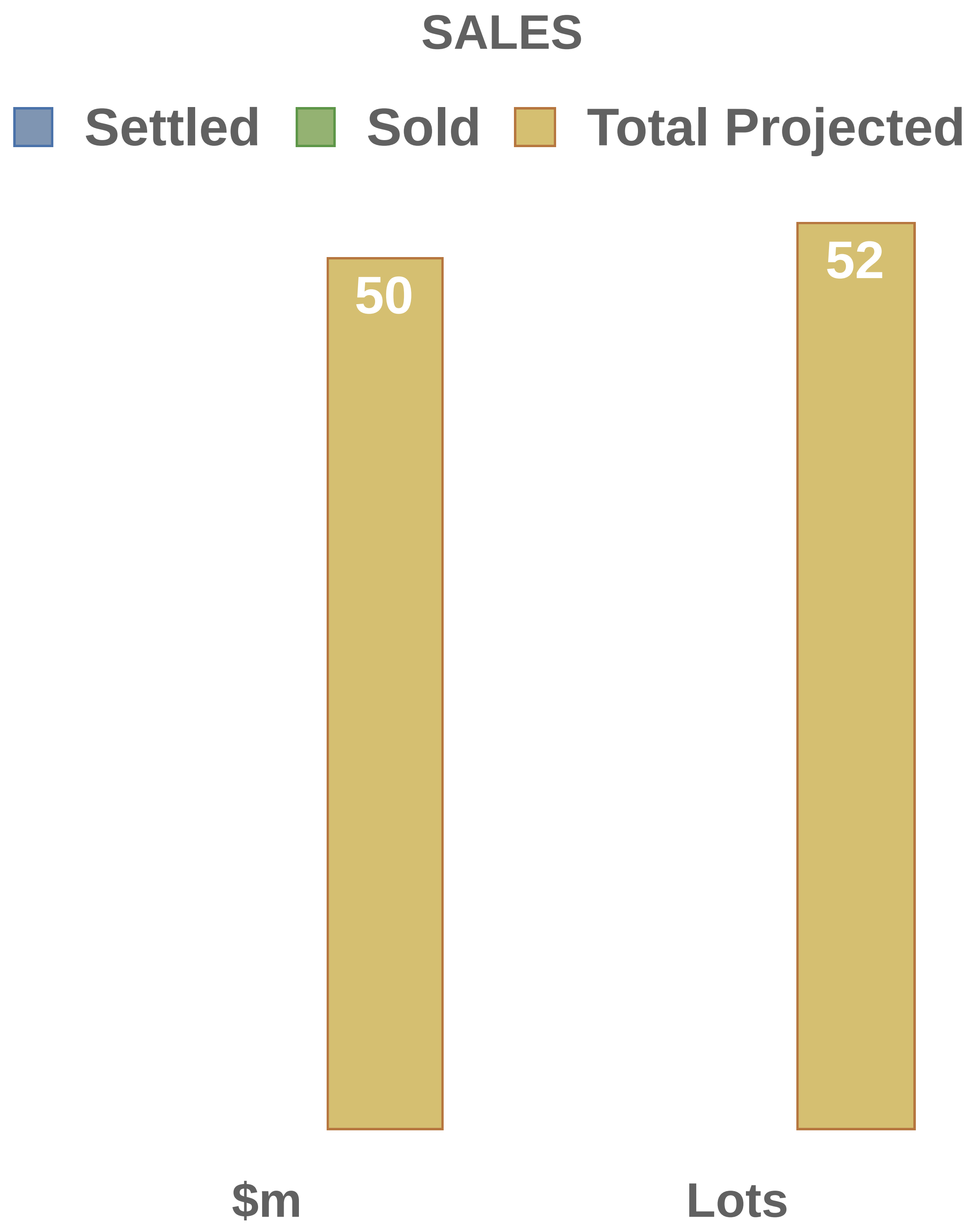
Status
Under construction. Currently leasing as whole floor plates.

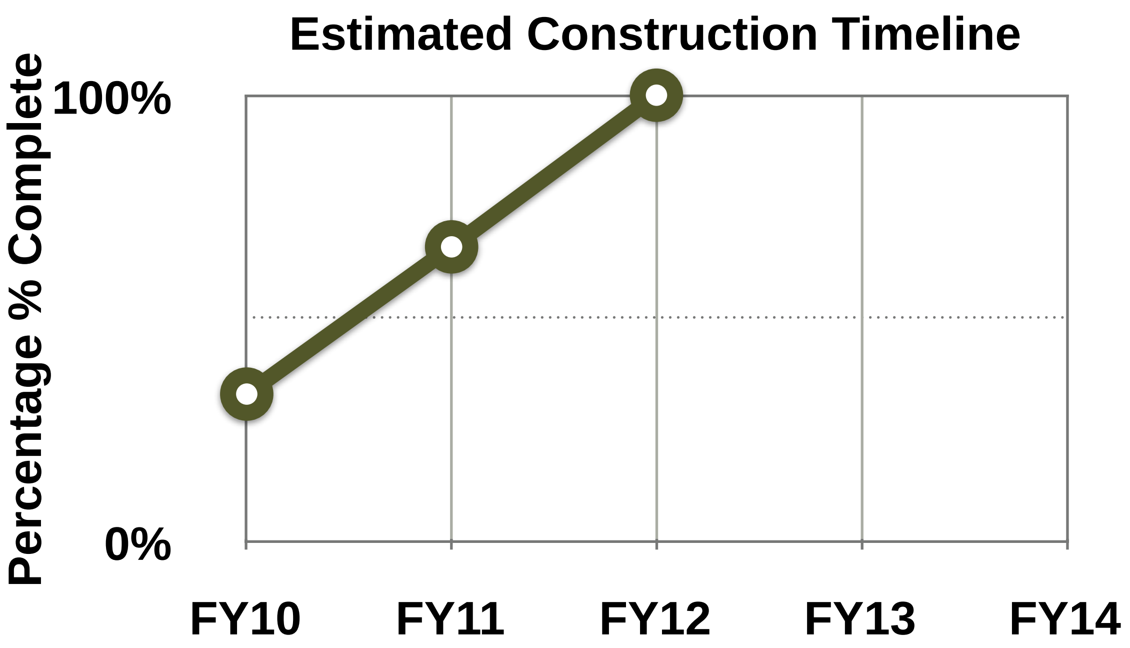
Profit Share

Finbar
100%

Fairlanes Office (cont.)

181 Adelaide Terrace, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Eighteen on Plain

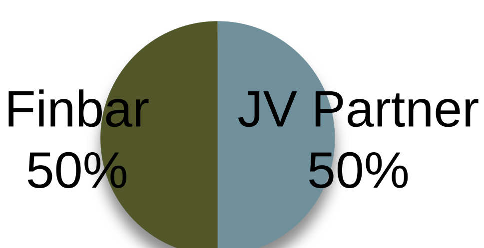
18 Plain Street, East Perth

Project
28 apartments and 2 commercial lots within a 10 storey building. Comprises 2 bedroom apartments 3 bedroom apartments with an average price of $682,000.

Development Structure
Joint venture with equal participation in land purchase, working capital, and development profit through SPV. Finbar earns a management fee.

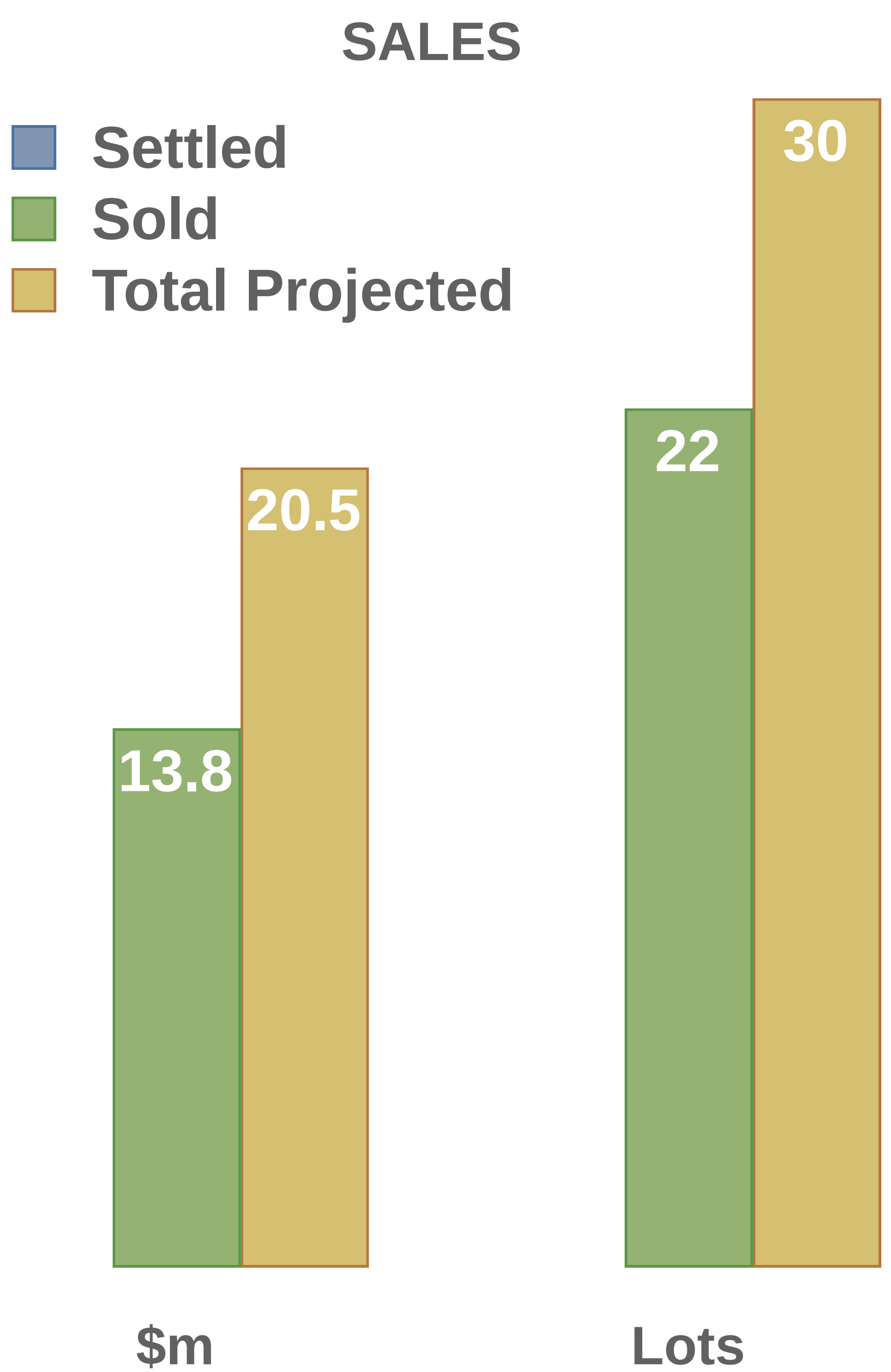
Status
Under construction

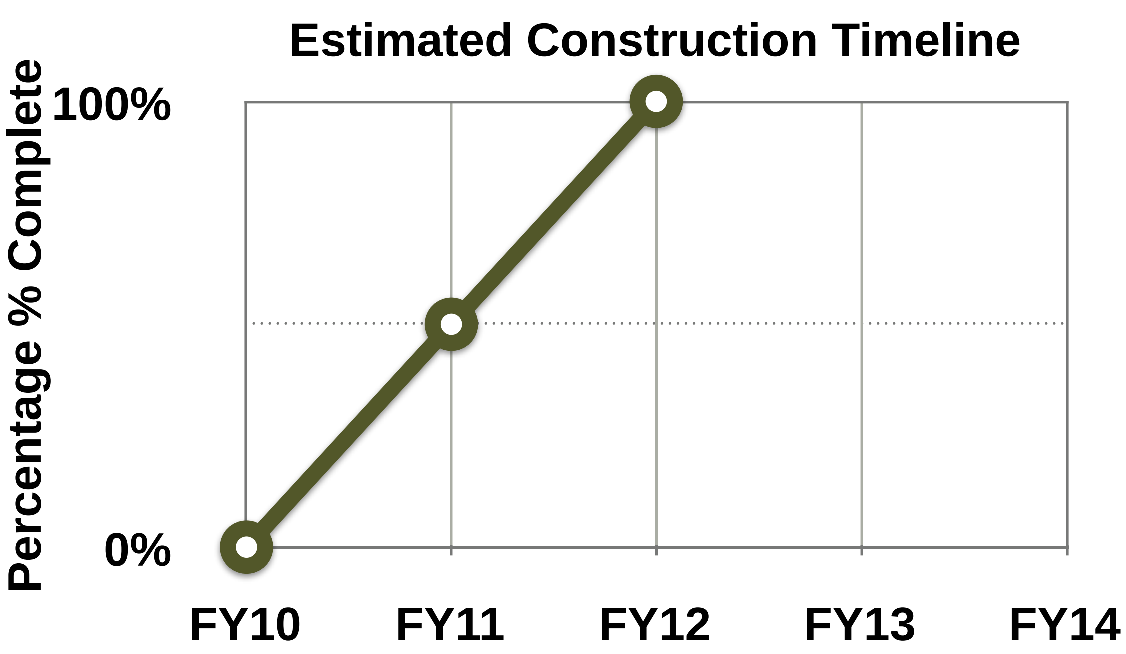
Profit Share



Eighteen on Plain (cont.)

18 Plain Street, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Future Projects

The following slides detail company projects that have been secured, and are at various levels of progress including projects currently being marketed for sale, or pending development approvals from relevant authorities.

Adagio

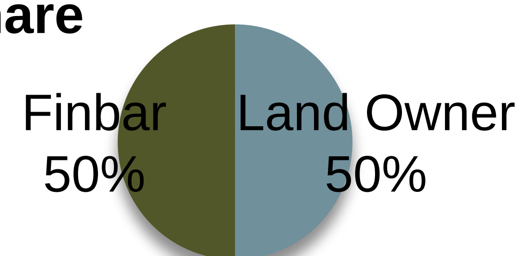
90 Terrace Road, East Perth

Project
The first stage of Symphony City (the former ABC site), Adagio yields 117 apartments and 2 commercial lots within a luxury 23 storey building. Comprises 2 & 3 bedroom apartments with penthouse at an average price of $1.58m.

Development Structure
Joint venture with land owner. Land owner contributes land, Finbar contributes one half of land value as working capital, conducts the development, and earns 50% of profit plus a management fee.

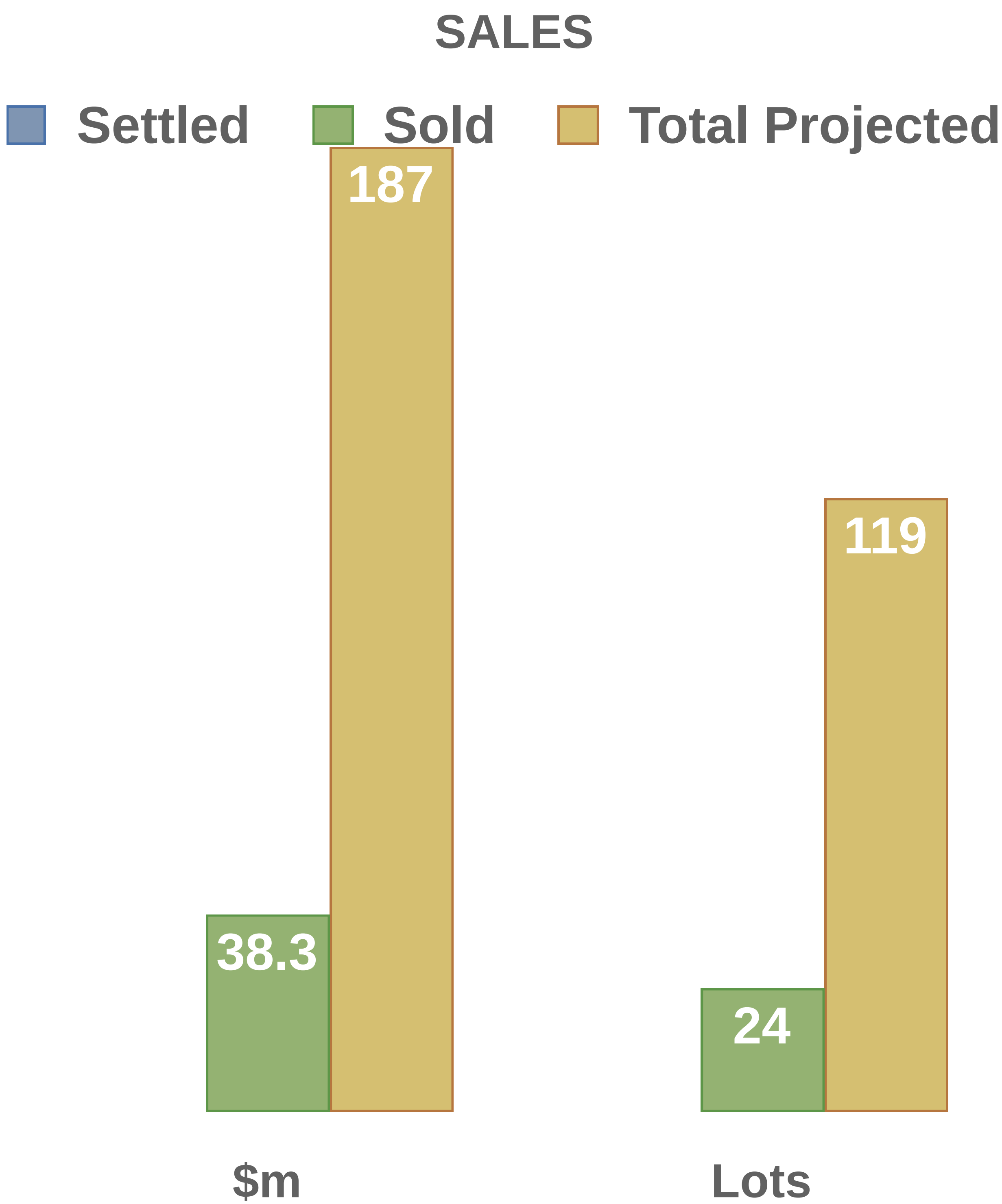
Status
Development approval received. Pre-sale campaign commenced Nov 10.

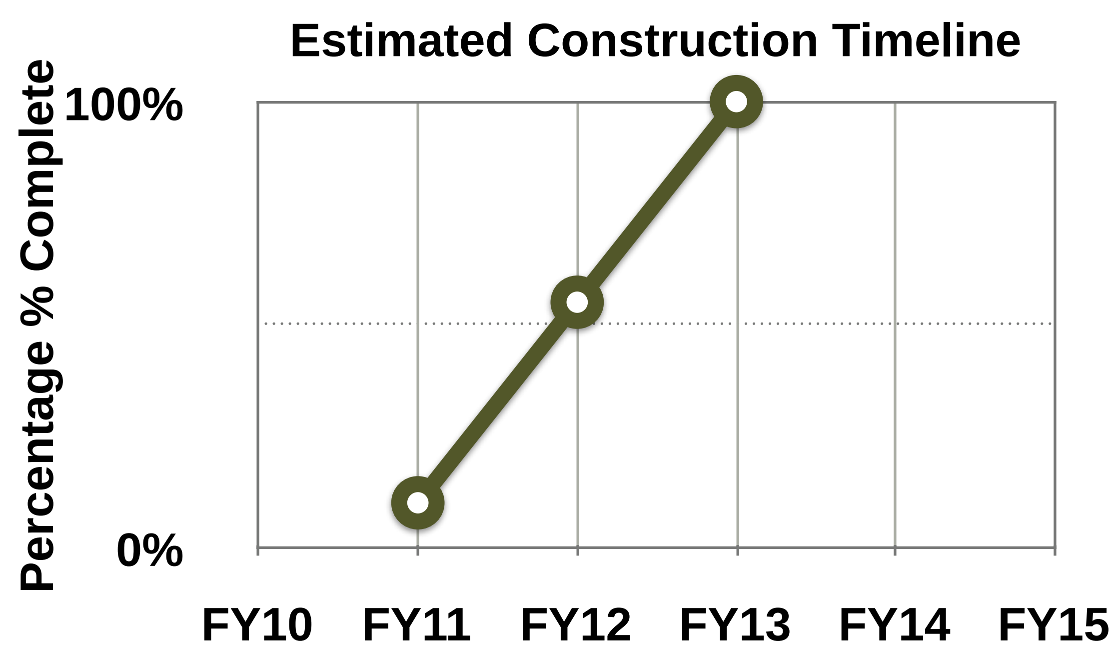
Profit Share



Adagio (cont.)

90 Terrace Road, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Concerto

193 Adelaide Terrace, East Perth

Project

Stage 2 of the Symphony City redevelopment, Concerto is in early stages of design and is provides flexibility for mixed use potential and serviced apartments.

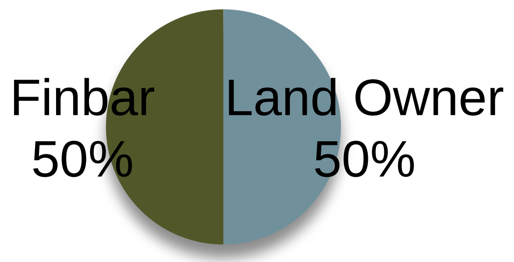
Development Structure

Joint venture with land owner. Land owner contributes land, Finbar contributes one half of land value as working capital, conducts the development, and earns 50% of profit plus a management fee

Status

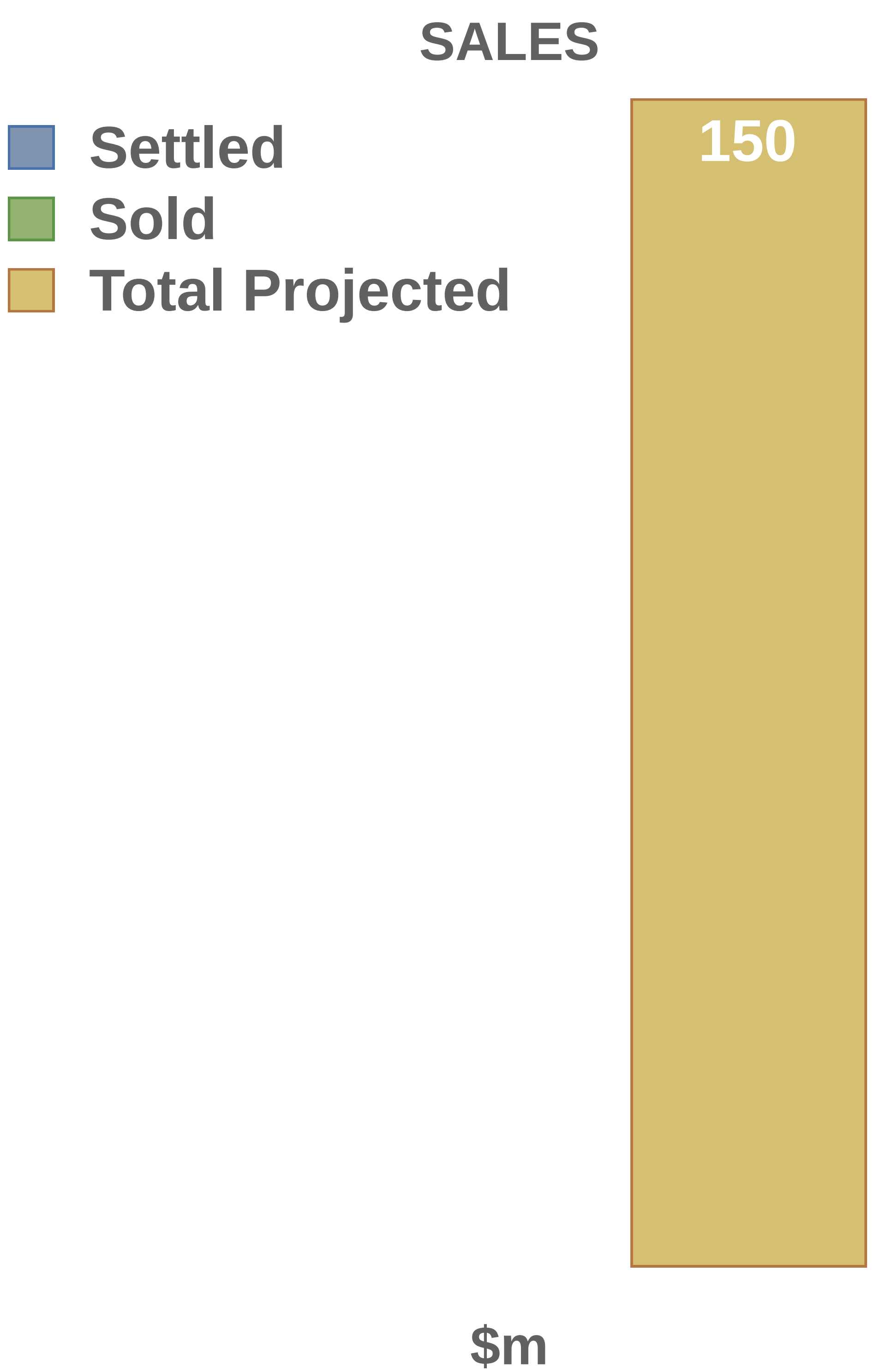
Currently in planning and design.

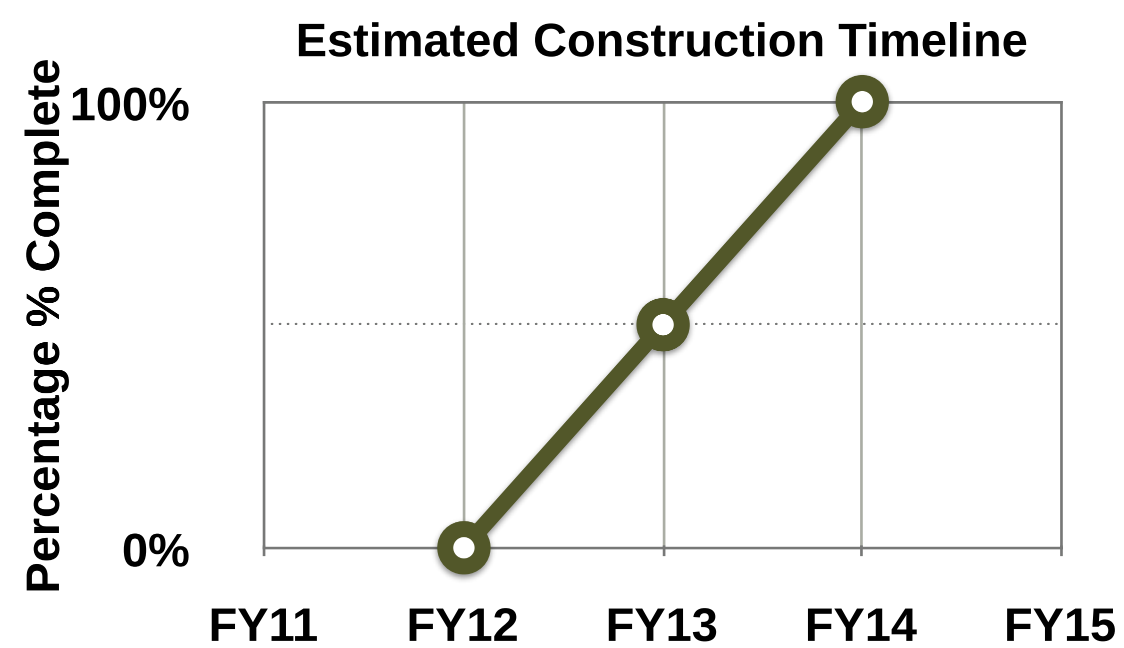
Profit Share



Concerto (cont.)

193 Adelaide Terrace, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Harmony

187 Adelaide Terrace, East Perth

Project

Harmony comprises the heritage listed buildings forming part of the Symphony City development and will be refurbished as part of stage 2. Eventual uses may include music studios (its former use) and/or offices.

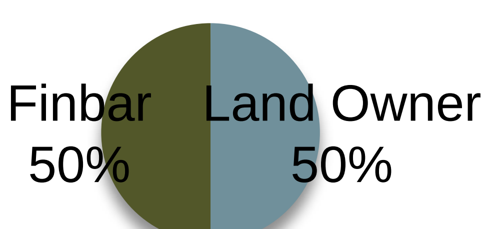
Development Structure

Joint venture with land owner. Land owner contributes land, Finbar contributes one half of land value as working capital, conducts the development, and earns 50% of profit plus a management fee

Status

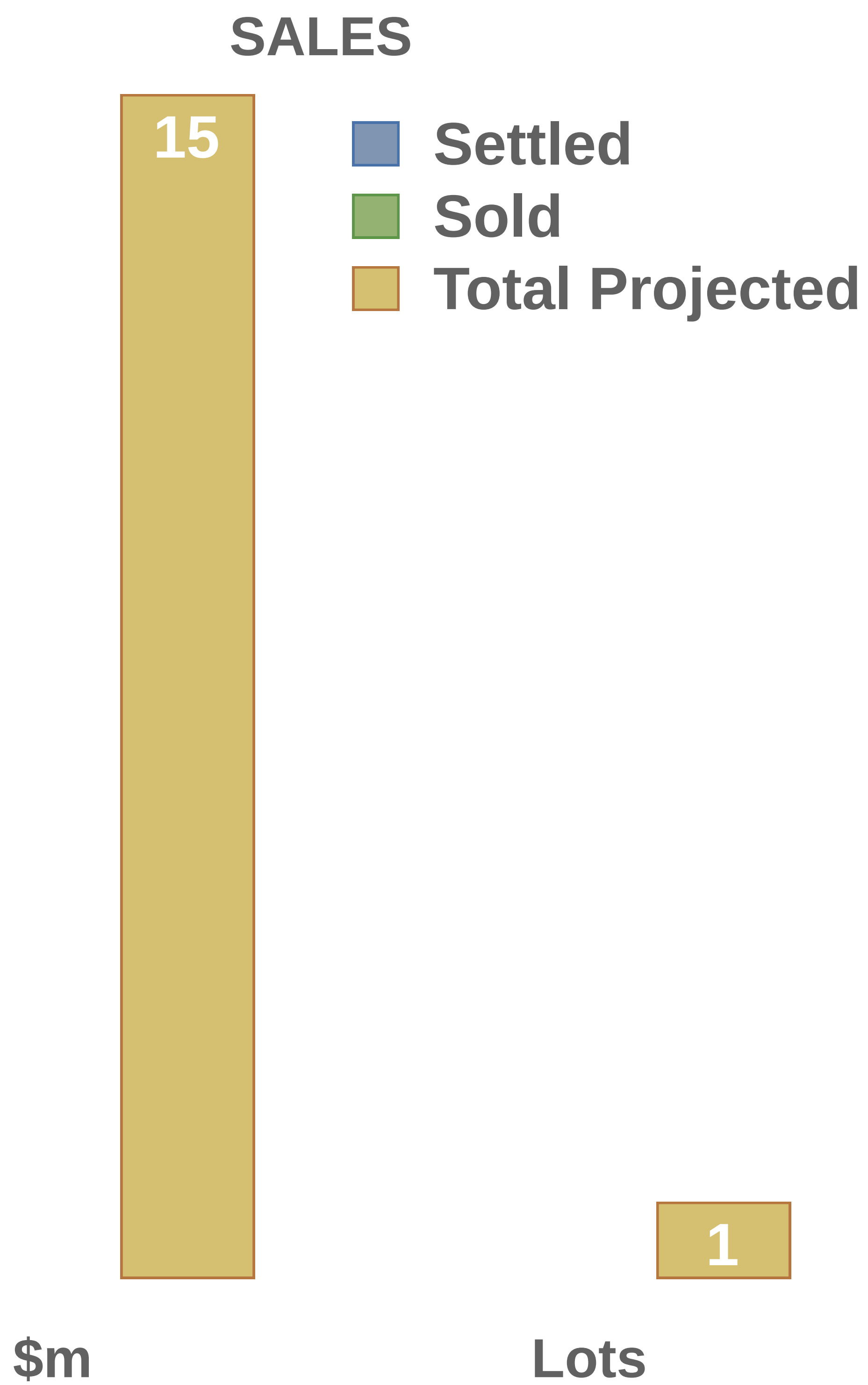
Planning stage.

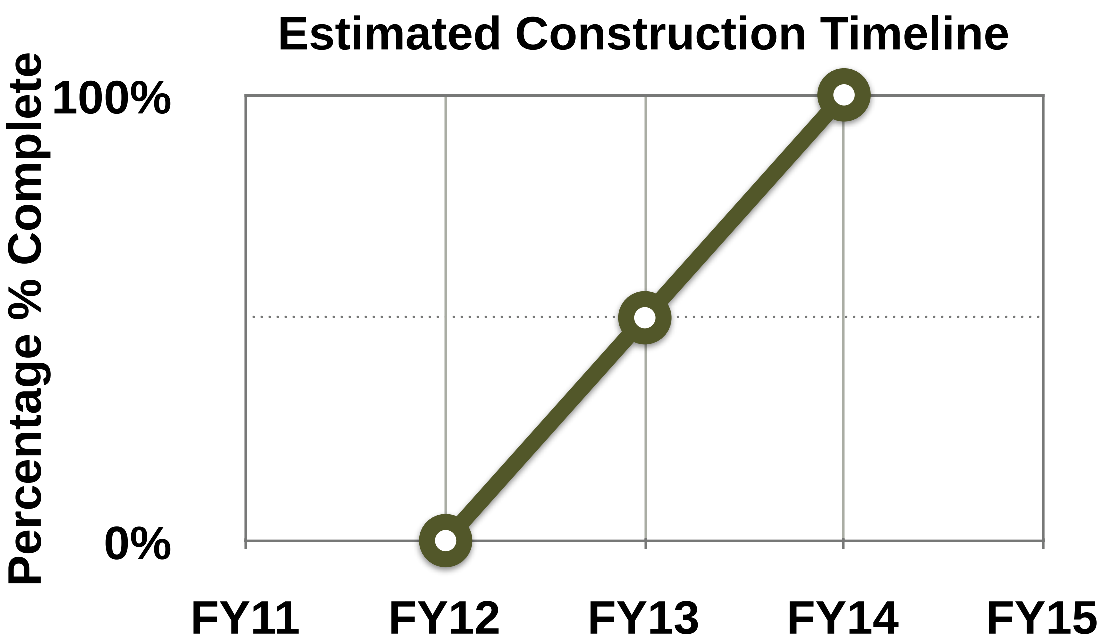
Profit Share



Harmony (cont.)

187 Adelaide Terrace, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Tocatta

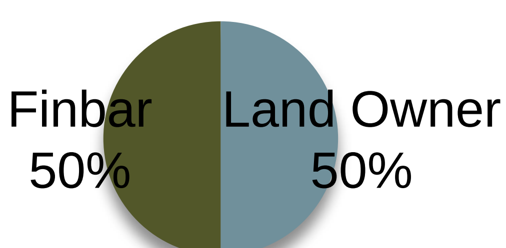
88 Terrace Road, East Perth

Project
The final stage of the Symphony City project, Tocatta will comprise 43 luxury half floor apartments and two commercial lots in a 22 level building.

Development Structure
Joint venture with land owner. Land owner contributes land, Finbar contributes one half of land value as working capital, conducts the development, and earns 50% of profit plus a management fee

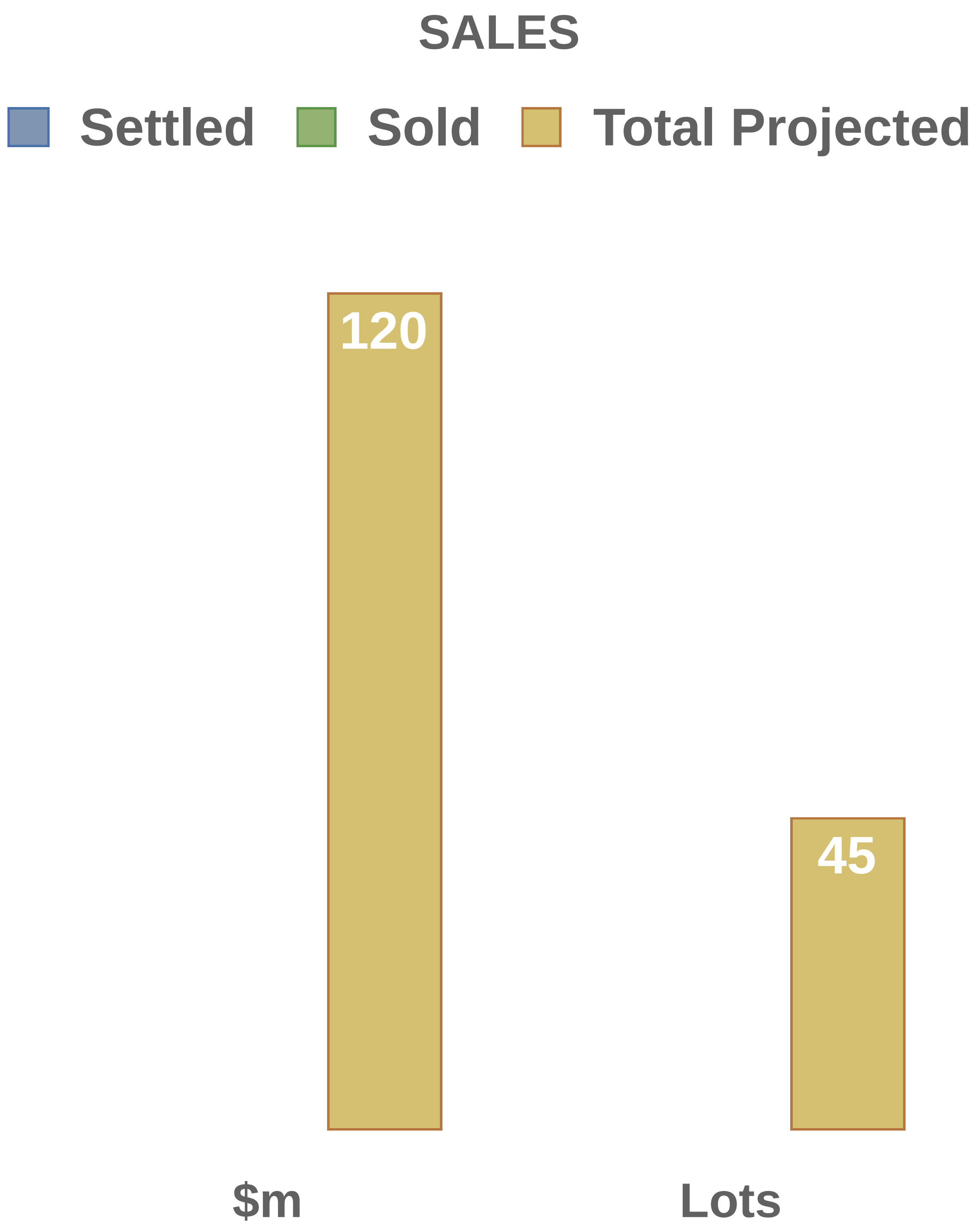
Status
Development approval has been received. Marketing launch anticipated following successful launch of Concerto.

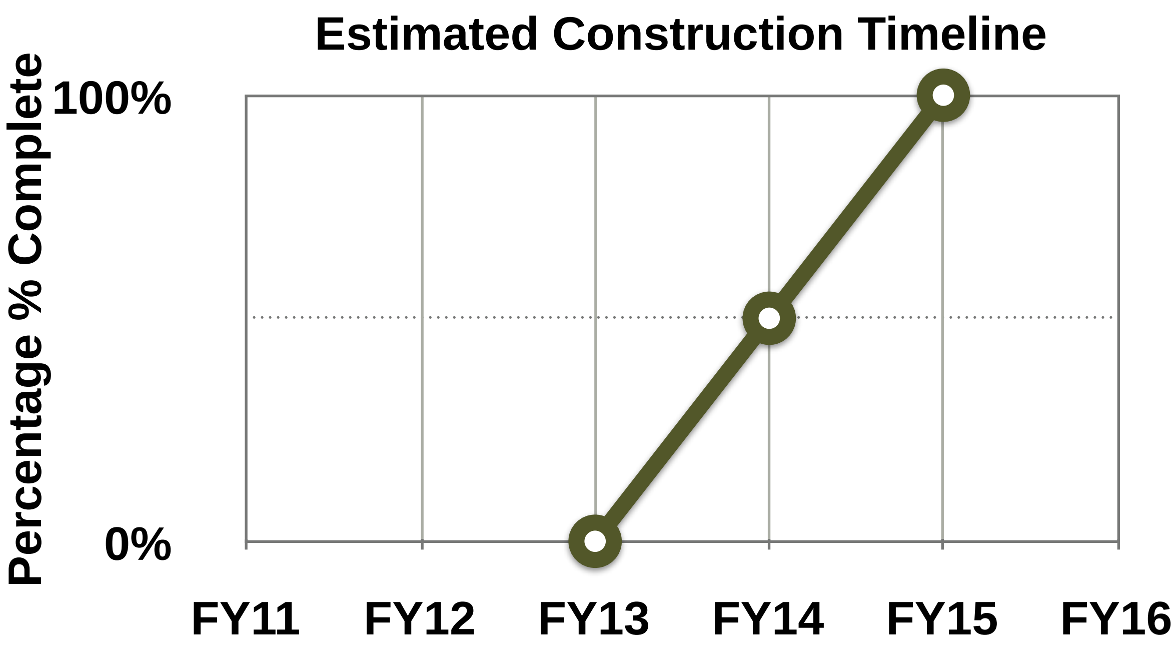
Profit Share



Tocatta (cont.)

88 Terrace Road, East Perth





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

St Marks

369 Stirling Street, Highgate

Project
Approximately 133 one, two, & three bedroom apartments plus 1104 sqm of boutique offices.

Development Structure
Owned and develop by wholly owned subsidiary.

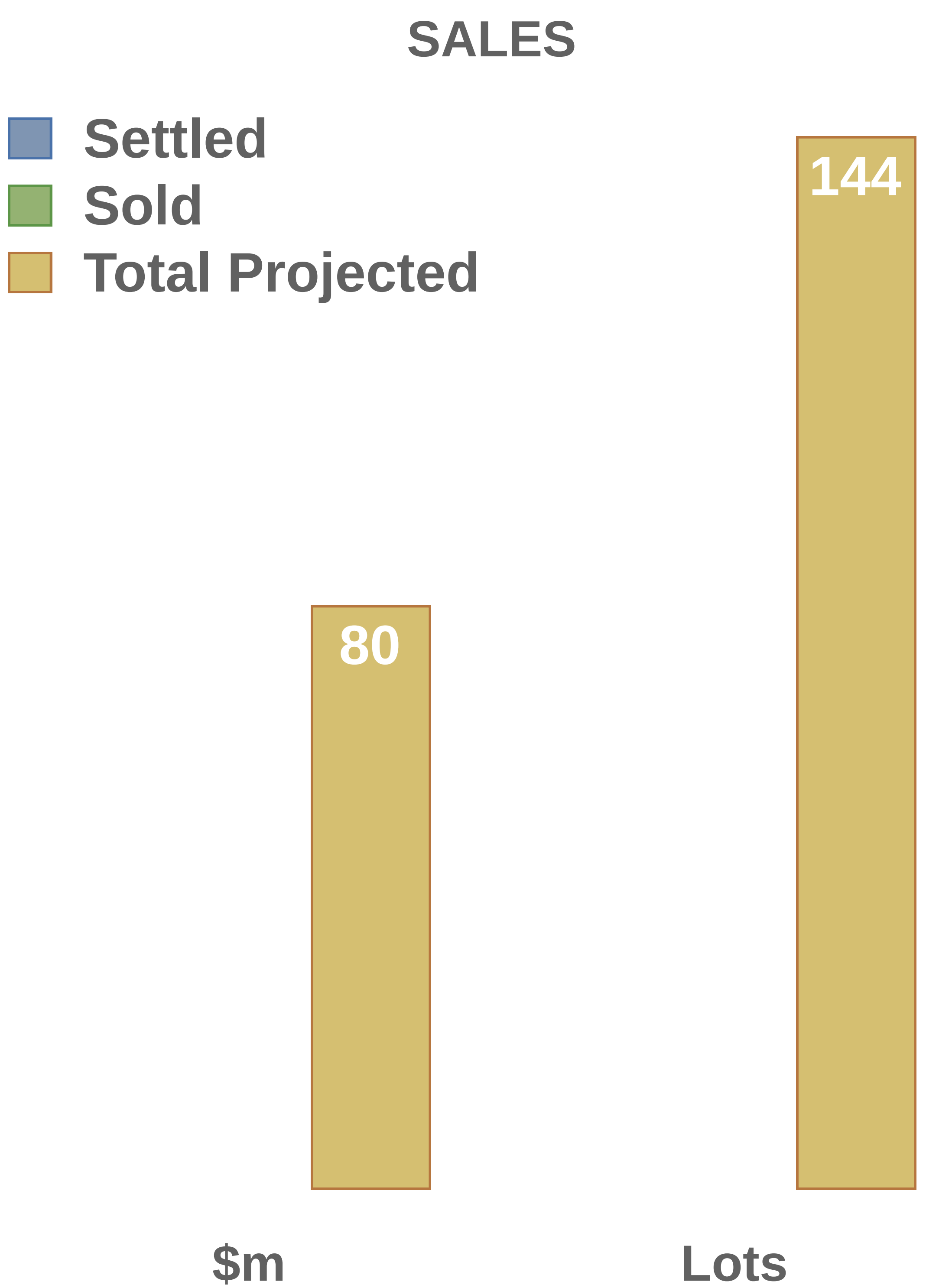
Status
Development application currently being consider by local authority.

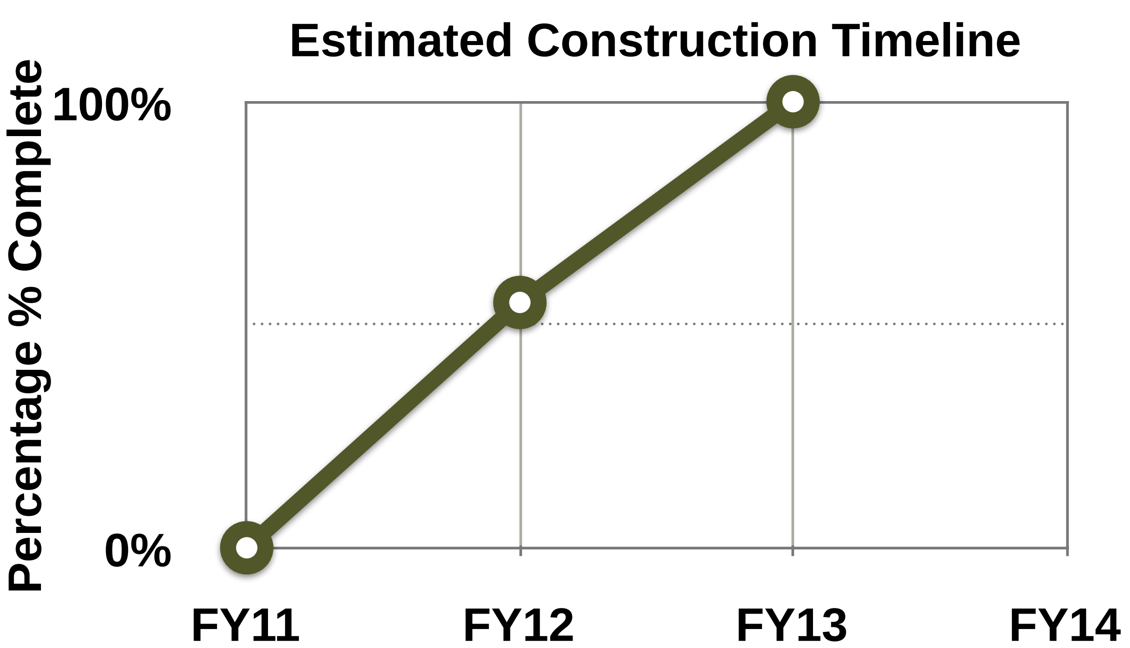
Profit Share

Finbar
100%

St Marks (cont.)

369 Stirling Street, Terrace, Highgate





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

East Victoria Park

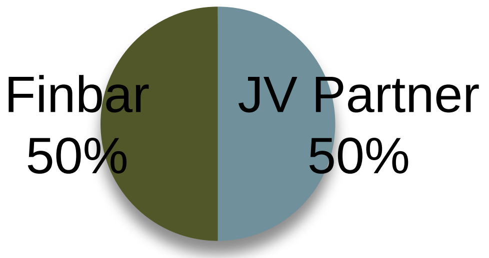
185 Swansea Street, East Victoria Park

Project
95 residential lots plus 2500 sqm of street front commercial lots in three storey 'walk up' style building.

Development Structure
Joint venture with equal participation in land purchase, working capital, and development profit through SPV. Finbar earns a management fee.

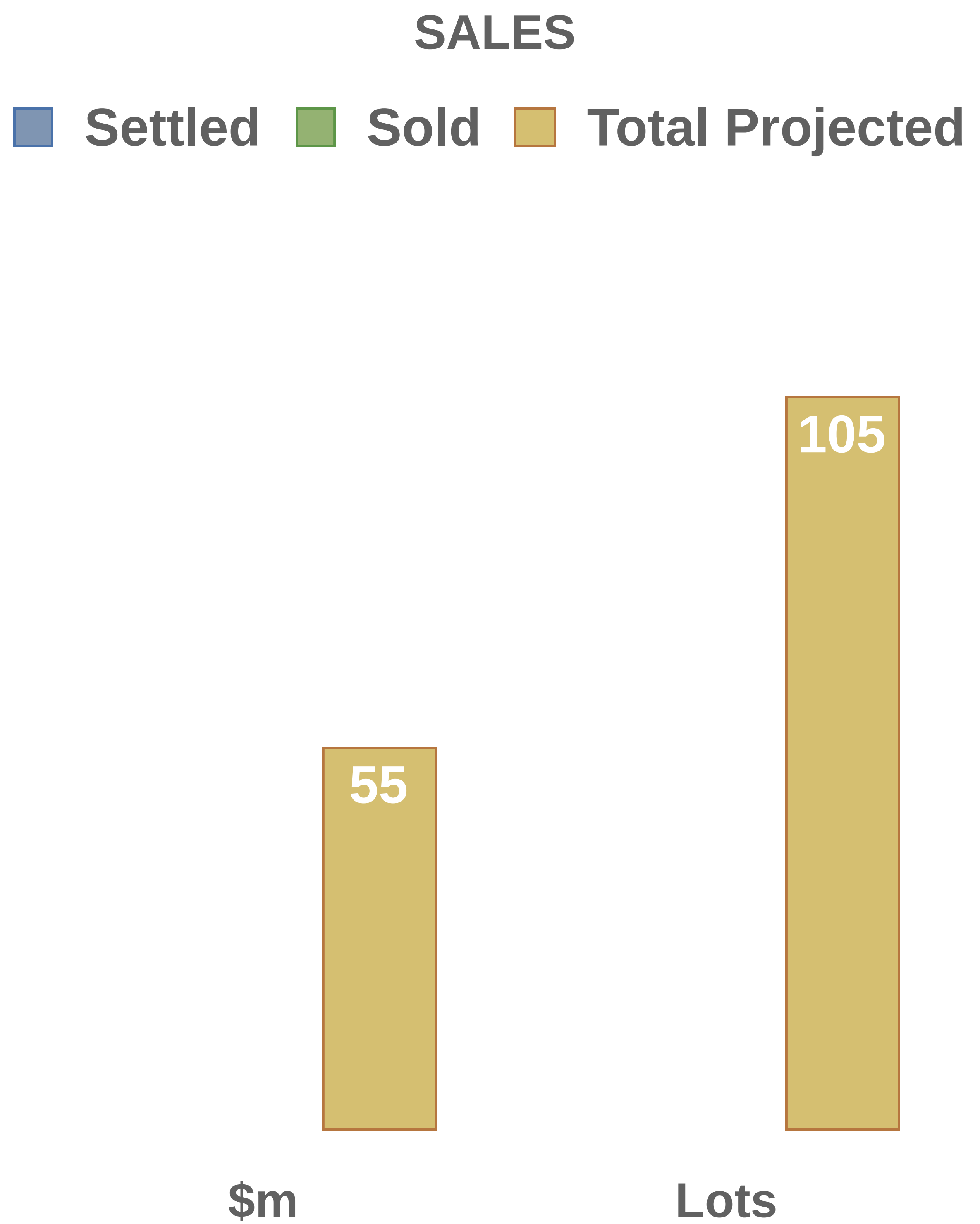
Status
Development application currently before local authority.

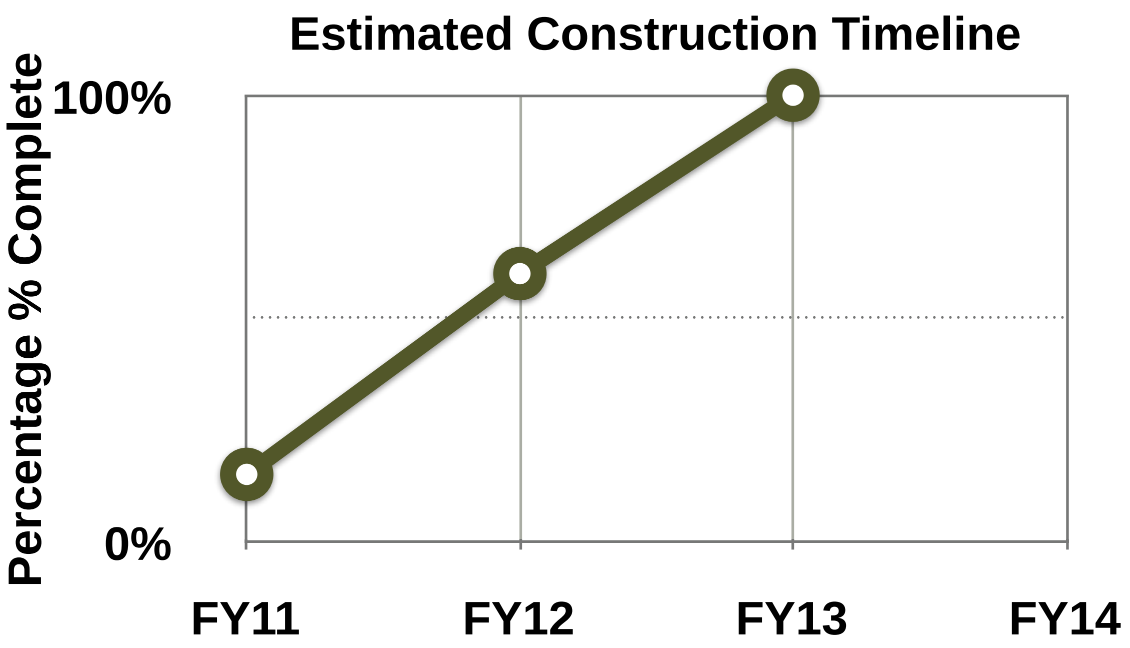
Profit Share



East Victoria Park (cont.)

185 Swansea Street, East Victoria Park





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Pelago West

Corner Sharpe Avenue & Warambie Rd, Karratha

Project
114 apartments and 1317 sqm of ground floor retail/office space in 9 storey building. Comprises 1, 2, & 3 bedroom apartments.

Development Structure
Wholly owned through subsidiary.

Status
Currently before local authority and being considered for development approval. Targeting Dec 2010 / Jan 2011 marketing launch.

Profit Share

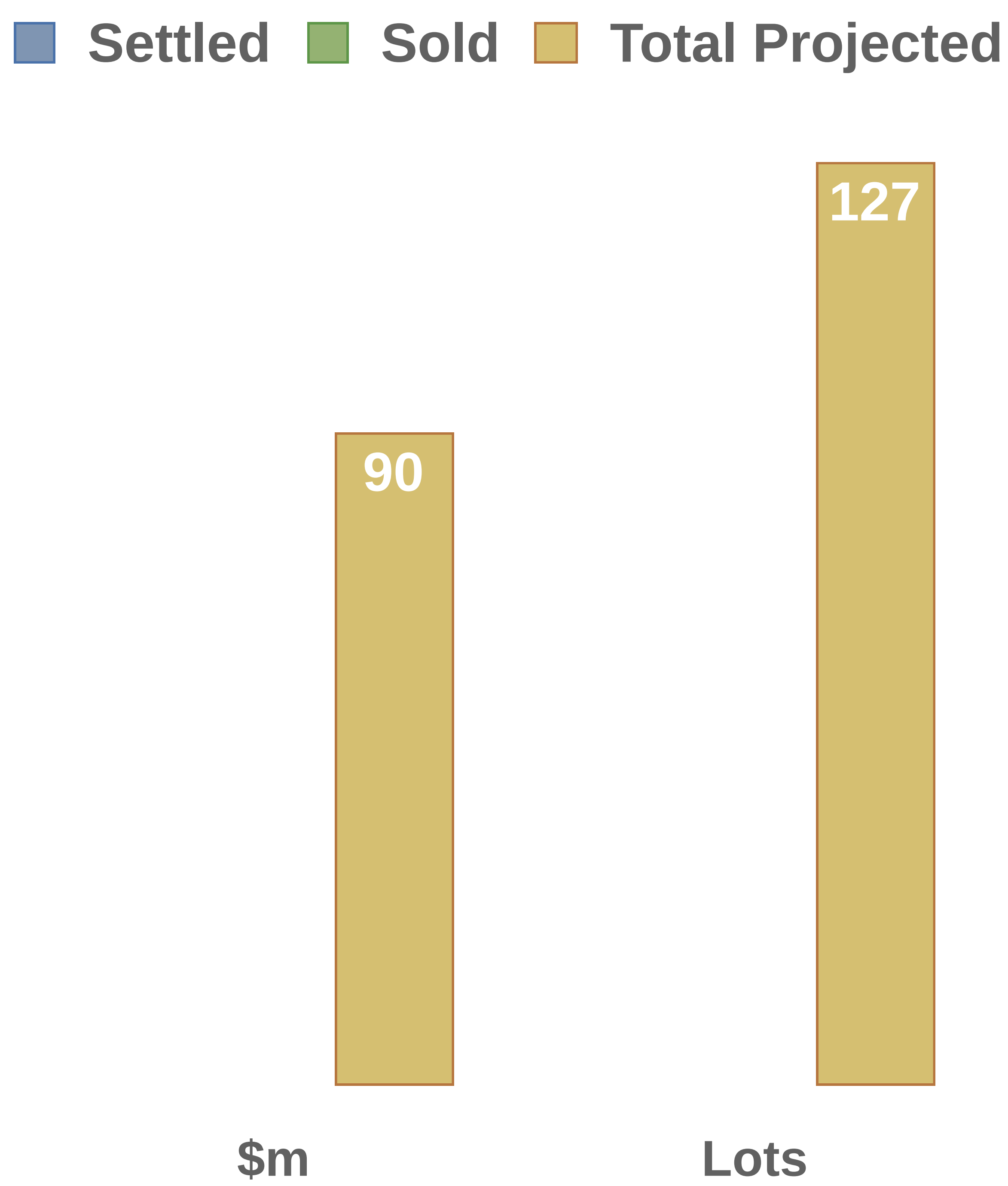
Finbar
100%

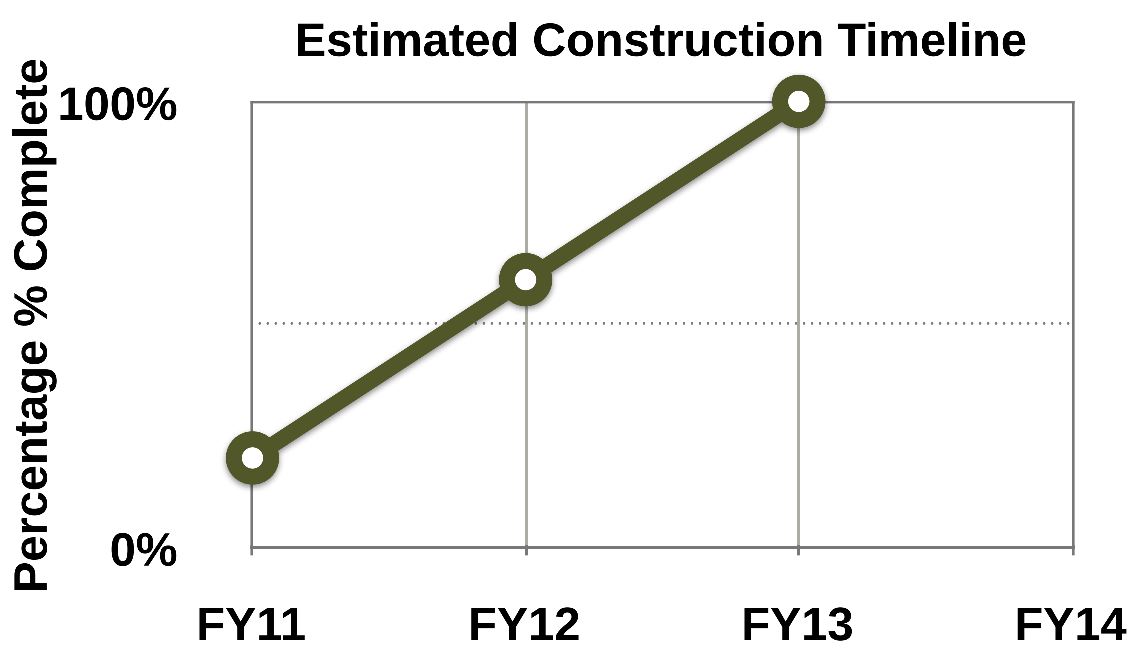
Pelago West (cont.)

Corner Sharpe Avenue & Warambie Rd, Karratha

APARTMENTS PELAGO

SALES





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Pelago East

Corner Sharpe Ave & Warrambie Rd, Karratha

Project

178 apartments and 1683 sqm of ground floor retail/office space in 9 storey building. Comprises 1, 2, & 3 bedroom apartments.

Development Structure

Wholly owned through subsidiary.

Status

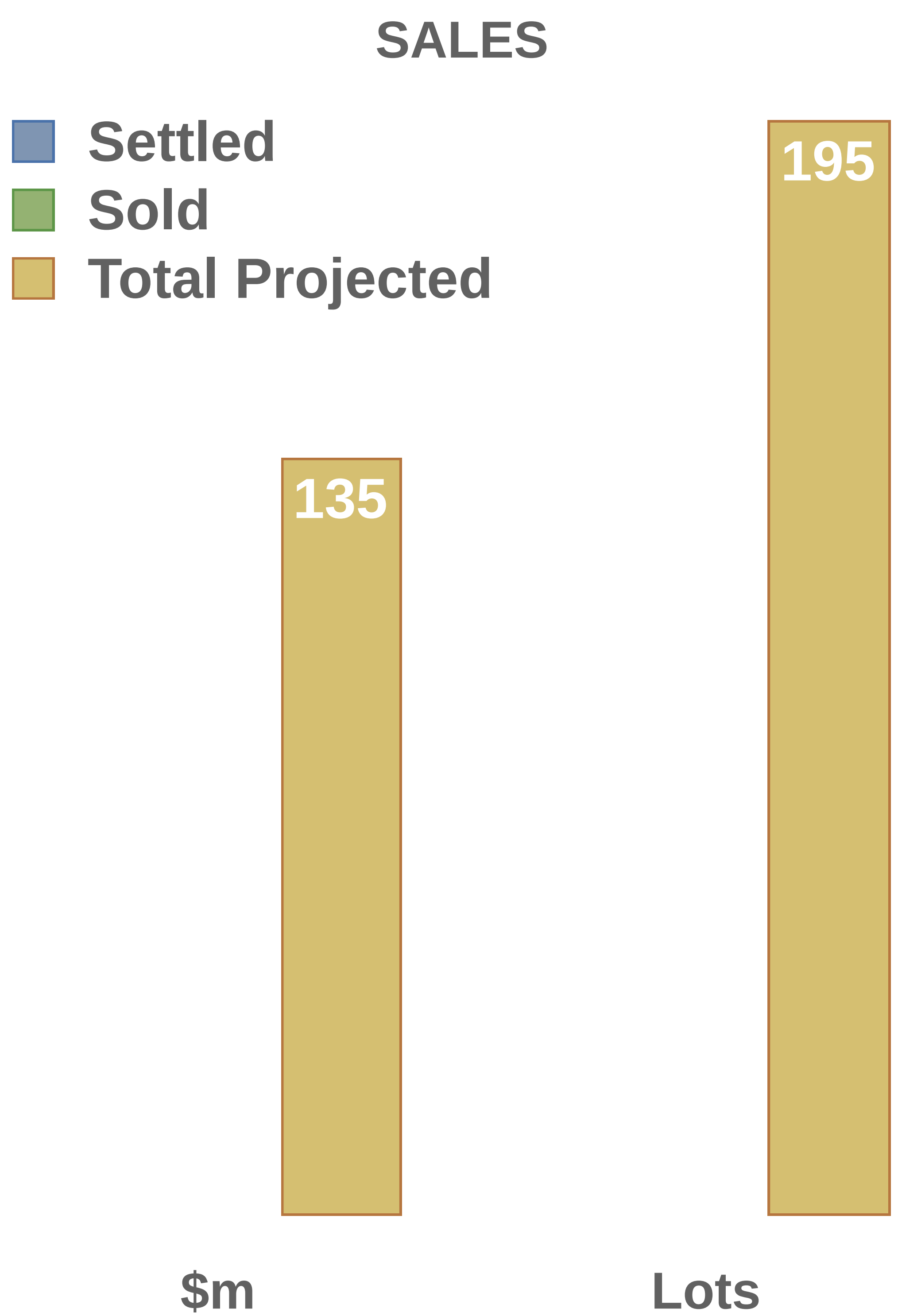
Currently before local authority and being considered for development approval. Targeting launch immediately following successful launch of Pelago East campaign.

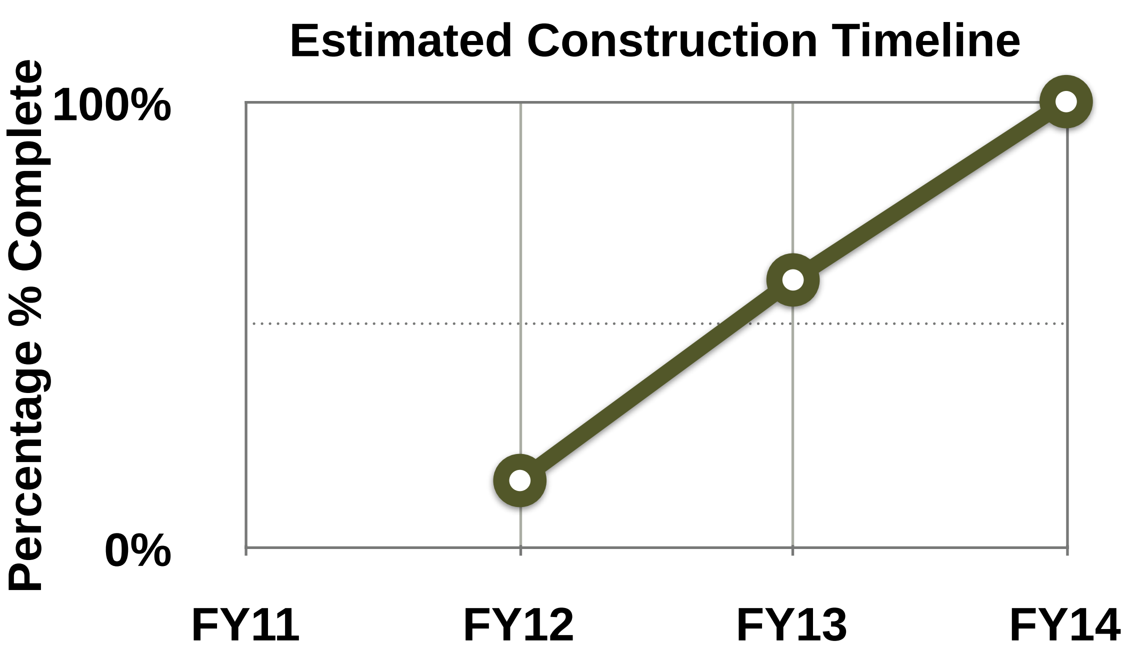
Profit Share

Finbar 100%

Pelago East (cont.)

Corner Sharpe Avenue & Warambie Rd, Karratha





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

Knightsgate

17 Sunlander Drive, Currambine

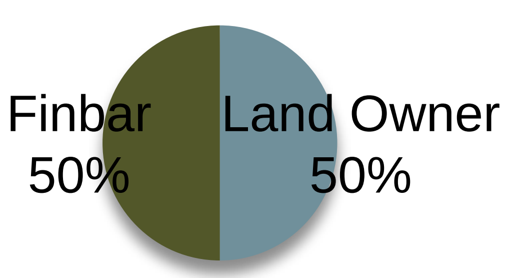
Knightsgate
RESIDENCES

Project
43 apartments in a three storey 'walk-up' project located 200 meters from Currambine train station. The project comprises one and two bedroom apartments that will be offered at a $320,000 to $410,000 price point.

Development Structure
Joint venture with land owner.
Finbar provides working capital, conducts development, and earns 50% of profit.

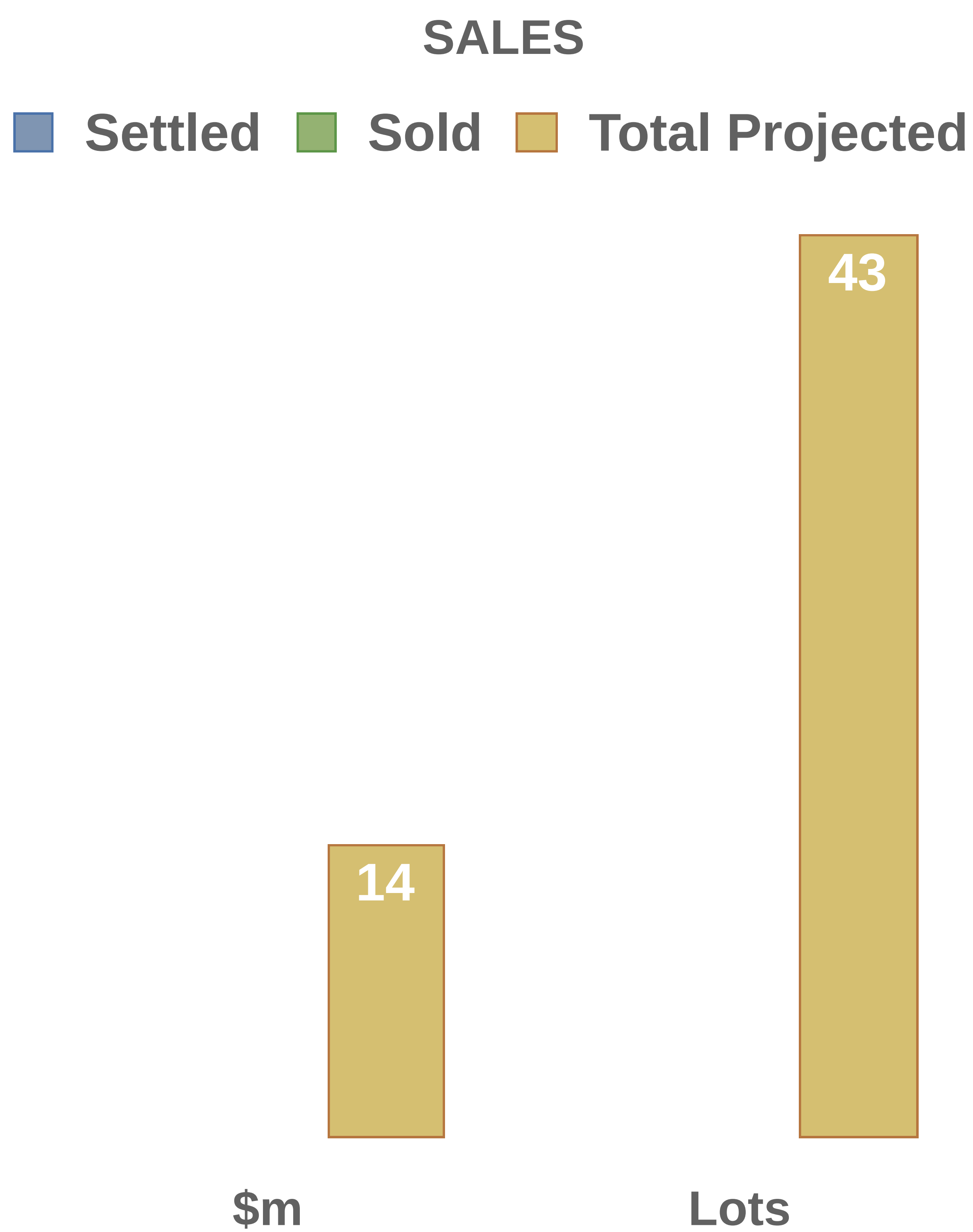
Status
Development approval received.
Marketing to commence in January 2011.

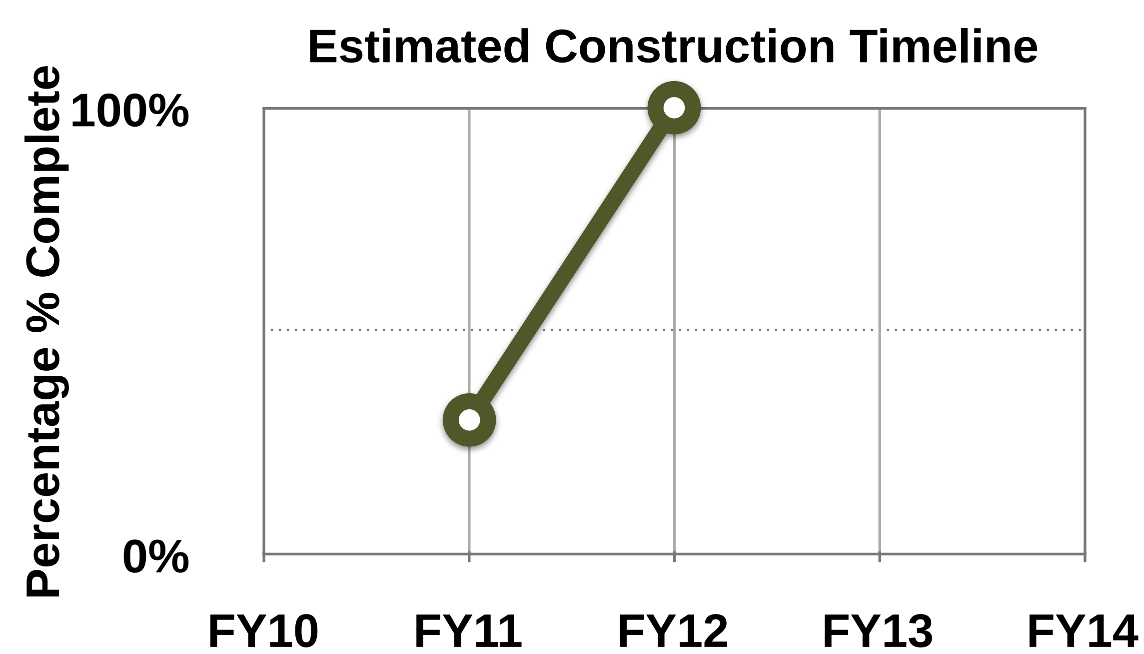
Profit Share



Knightsgate (cont.)

17 Sunlander Drive, Currambine





Note

Pre-sales revenue is recognised when project construction is 100% Complete.

New 190 Lot Joint Venture

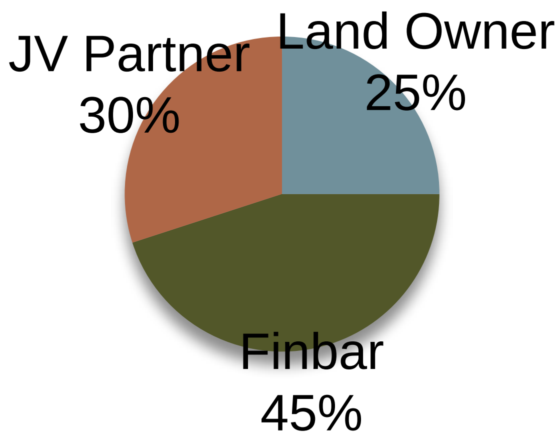
208 Adelaide Tce & 311 Hay St, East Perth

Project
Approximately 190 apartments plus 2 commercial lots to be constructed on 3700 sqm site in East Perth.

Development Structure
A joint venture SPV will acquire one half of the land and carry out the development sharing in the profit with the land owner. Finbar will also earn a management fee.

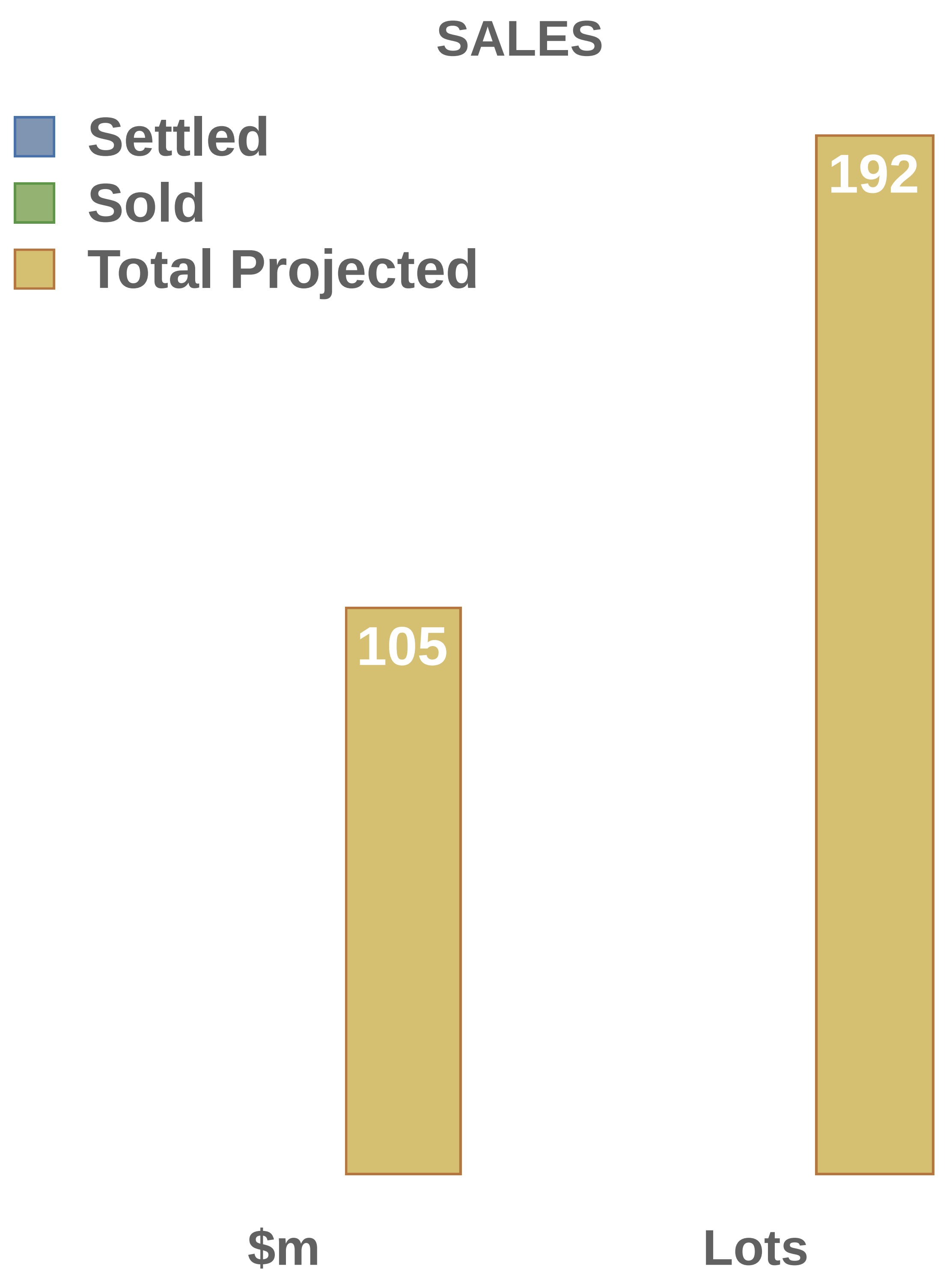
Status
Development application drawings currently being prepared to submit to local authority.

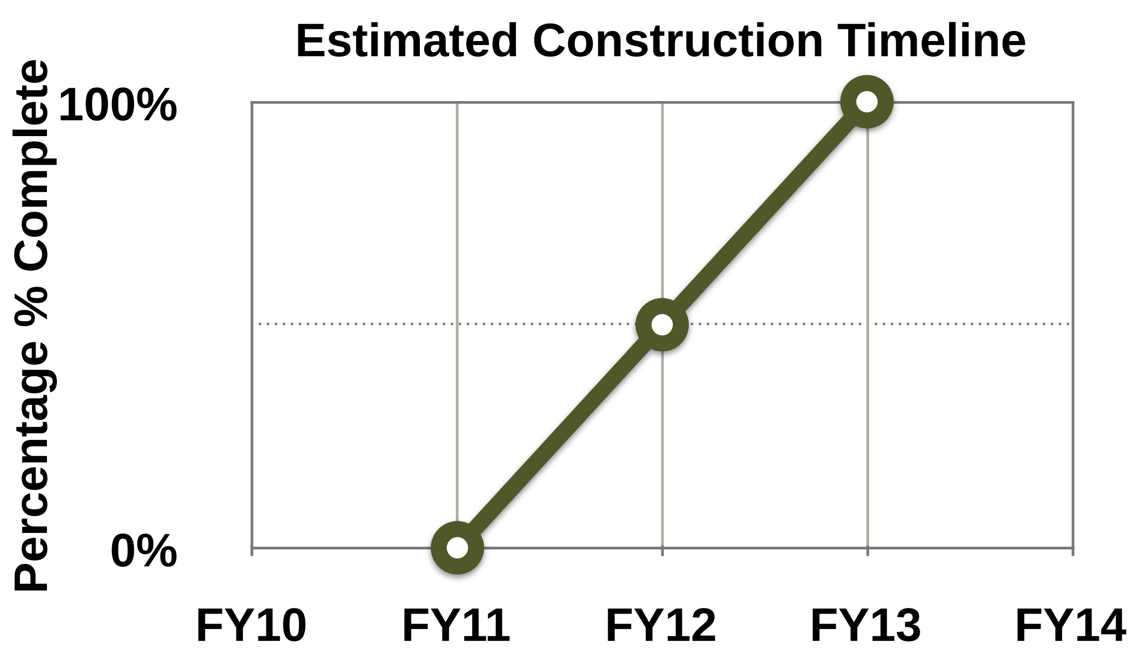
Profit Share



New 190 Lot Joint Venture (cont.)

208 Adelaide Tce & 311 Hay Street, East Perth





Note

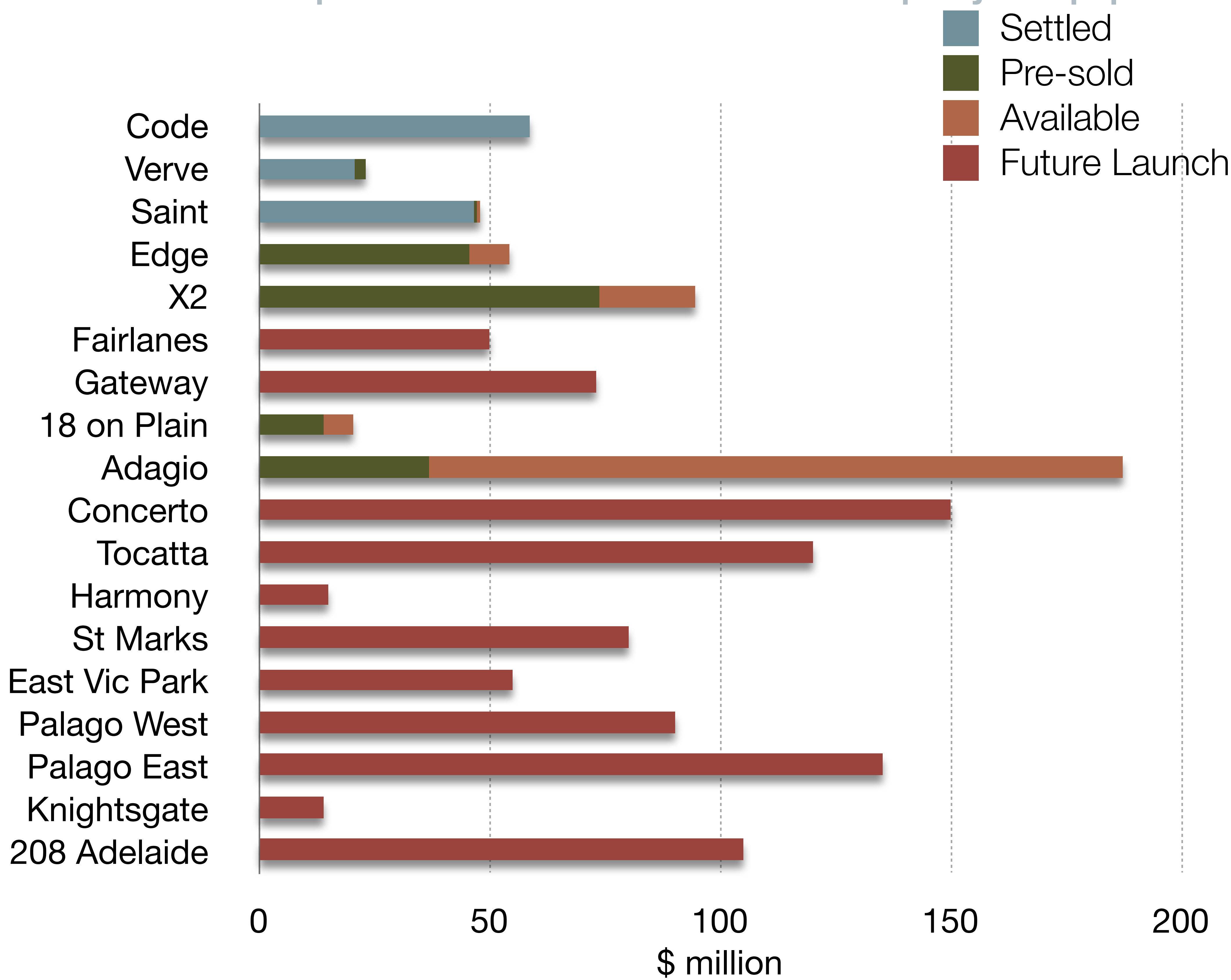
Pre-sales revenue is recognised when project construction is 100% Complete.

Pre- Sales & Project Debt Cover

The following slides detail company projects that have been secured, and are at various levels of progress including projects currently being marketed for sale, or pending development approvals from relevant authorities.

Pre-sales

$268 million pre-sales on $1.35 billion project pipeline



Company Debt

All Finbar debt is project specific with development funding provided by Australian major banks.

Project Specific Debt
Project debt is limited to security provided by the SPV and 1st mortgage the project land. Limited parent company guarantees are provided on occasion.

Funding from Australian Banks
Finbar is well supported by, and all funding is placed with Australian Major Banks.

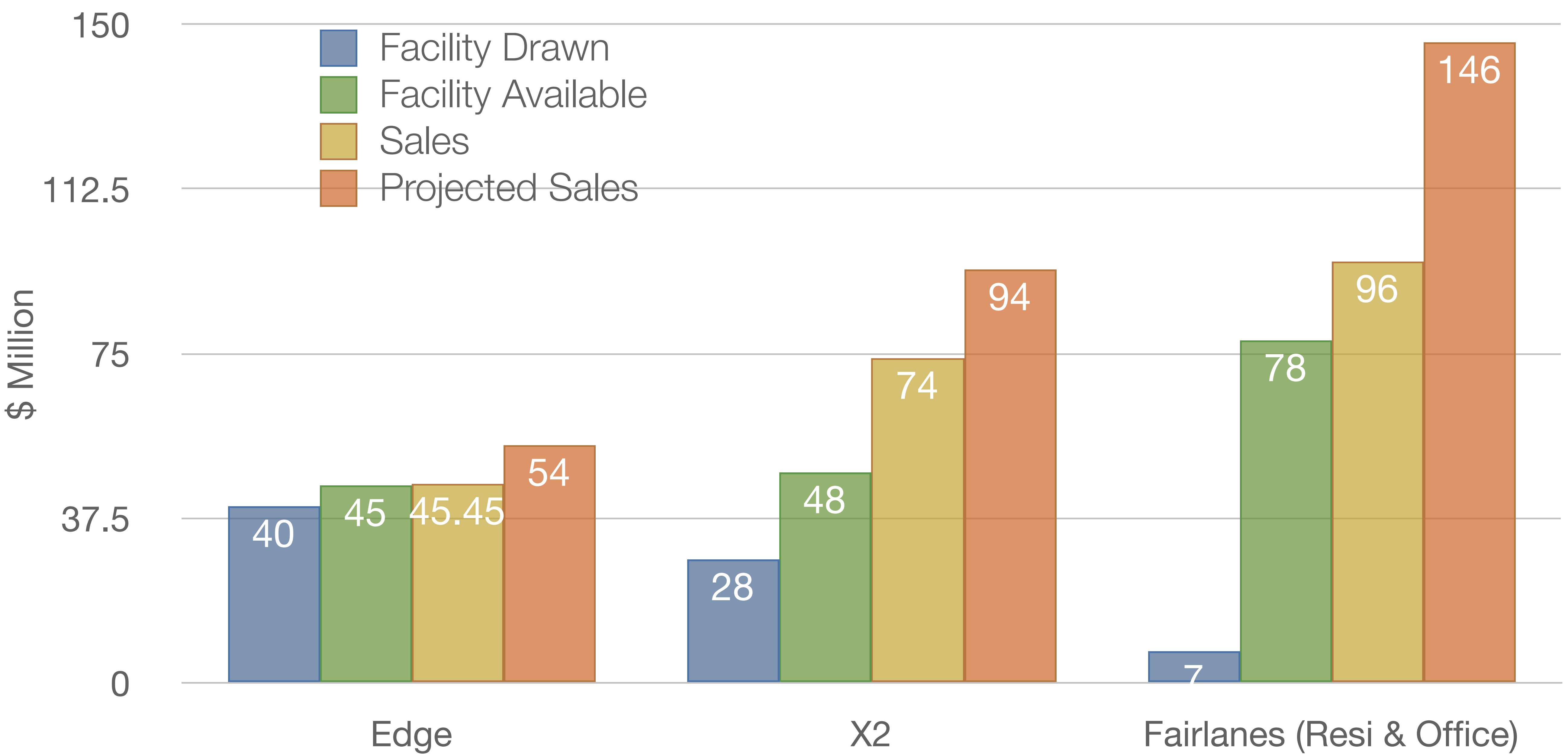
No Parent Debenture
There is no fixed and floating charge held over the parent company.

No Mezzanine Facilities
There are no mezzanine finance facilities. All funding is traditional senior debt facilities.

Pre Sales
All development facilities are covered by pre-sales that exceed 100% of project debt.

Project Debt Levels

All project facilities have pre-sale coverage in excess of 100% of debt.



Other

Finbar is Western Australia's respected leader in market share, positioning, and development innovation.

Market Positioning

6% of all new Finbar projects are sold to previous Finbar customers.

Innovation

Pioneered use of Biaxial Hollow Slab ('Bubbledeck') in Australia

Gateway - First Project in Australia to use Bubbledeck
Finbar's Gateway office building is the 1st building in Australia to use the Bubbledeck system.

Bubbledeck eliminates up to 35% of concrete in suspended slabs, lightens structures, shortens floor cycles, and reduces construction energy consumption.

All Finbar projects currently under construction are utilising this method of construction.

Further Information

Please visit www.finbar.com.au